

The NATIONAL UNDERWRITER

Life Insurance Edition

The Case of the COLLAPSIBLE CEILING



Solved by Accident Insurance

On a peaceful summer evening, a gentleman went up to the attic on an errand. Part of the attic had no floor, so he had to walk on the ceiling joists. He lost his balance, and the next thing his wife knew, a pair of legs was protruding from the ceiling. (Claim payment—over \$2,000)

Accidents strike suddenly in unexpected ways and places. The only way to prepare for them in advance is through Accident Insurance. You owe it to your clients and prospects to make certain they have this vital protection against loss. Tell them Accident Insurance can safeguard their income and savings in the event of a disabling accident.

Your nearest Travelers Manager will be happy to give you full details of Travelers broad, up-to-date Accident policies . . . backed up with a complete selection of colorful, hard-hitting promotional materials. Why not see him now?

THE TRAVELERS INSURANCE COMPANY

Hartford 15, Connecticut

FRIDAY, JULY 8, 1955

... For Distinguished Service

1955

OUR NATIONAL QUALITY AWARD WINNERS

The Ohio National takes justifiable pride in honoring our field representatives who have won the National Quality Award during the past year. The NQA, conferred jointly by the Life Insurance Agency Management Association and the National Life Underwriters Association, symbolizes the highest standards of selling and service. By meeting and exceeding the requirements for this coveted award, the following members of our agency force have proved themselves worthy of the confidence and trust the insuring public has placed in them.

Charles H. Barthel	Chicago, Illinois	*E. W. Millholland	Columbus, Ohio
Sam S. Bliss	Erie, Pennsylvania	Emil W. Murray	Altoona, Pennsylvania
Alfred S. Brennan	Saginaw, Michigan	Norman J. Nathanson	Cupertino, California
Charles H. Brittan	Alliance, Nebraska	Harold M. Noaker	Canton, Ohio
Don D. Brown	Columbus, Ohio	Ralph L. Parks	Erie, Pennsylvania
Harold C. Brogan	Lansing, Michigan	Walter S. Phelps	Detroit, Michigan
Raymond B. Burger	Belvidere, Illinois	John R. Poor	Pittsburgh, Pennsylvania
Max D. Clement	Sacramento, California	Virgil E. Rouse	Minneapolis, Minnesota
C. Ted Ermlich	Alliance, Ohio	Jack H. Russell	Corpus Christi, Texas
Stanley R. Fritts	Manchester, New Hampshire	George S. Severance	Chicago, Illinois
George T. Guerre	Lansing, Michigan	Donald C. Sielaff	Iowa Falls, Iowa
Clyde W. Hines	West Milton, Ohio	Harold E. Simmons	Waynesburg, Pennsylvania
C. A. S. Hollinger	Bainbridge, Pennsylvania	James T. Simpson	Eldon, Missouri
Alfred J. Isaac	Spokane, Washington	*Norman J. Tschantz	Canton, Ohio
H. Norman Kensinger	Leacock, Pennsylvania	Ira M. Turner	Butler, Pennsylvania
Fred E. Kramer	Erie, Pennsylvania	Ken B. Wade	Lancaster, Pennsylvania
*H. R. Lindenberger	York, Pennsylvania	William C. Walker	Butte, Montana
James E. MacManus	Saginaw, Michigan	James C. Wenzel	Spencer, Iowa
Francis B. McDermott	Dubuque, Iowa	Wilbert I. Yaegers	Cincinnati, Ohio
Carl W. Mason	Jackson, Michigan	William S. Ziegler	Joliet, Illinois

*Have 10 years or more



THE OHIO NATIONAL LIFE INSURANCE COMPANY
CINCINNATI, OHIO

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

59th Year, No. 27
July 8, 1955

Insurer Wins Case on Payment to VA Hospitals

St. Paul-Mercury Indemnity Takes All Points in Important Test Decision

U. S. district court at Lincoln held in favor of the insurer in an important test case involving the question of whether A&H insurance companies should pay for hospital treatment of veterans in veteran administration hospitals.

The case, U. S. of America vs St. Paul-Mercury Indemnity, was decided by Judge Delehan in favor of St. Paul in all respects, and the government petition was dismissed with prejudice. It is not known yet whether the VA will appeal to the U. S. circuit court of appeals.

Judge Delehan in his decision points out that the policy involved covered "expenses actually incurred by the insured"; that the veteran incurred no actual expenses because hospital treatment was free to him; that the fact he had signed an oath that he owned no property and that he purportedly assigned his benefits under the insurance policy made no difference.

The attempt of the VA to formulate regulations which would have the effect of requiring an insurance company to pay in such a case was of no avail, the judge held, because VA has no authority to attempt to make such regulations.

The case has been in process for several months and is of great interest to the A&H companies because for some time VA has been contending that it should receive payment under policies held by veterans if they assign benefits.

House Unit OKs Trial Tax Plan for Life Companies

WASHINGTON—The House ways and means committee has approved for enactment on a one-year trial basis a new formula for income taxation of life companies to supplant the present 6½% levy on investment income. The new plan is reported to have the approval of the Treasury Department and the life company associations.

Annuity and pension plan investment income would be separated and taxed on a reducing scale so that ultimately such income would be nearly or totally exempt from taxation.

Cancellable A&H investment income of life companies would also be treated separately from life investment income and would be taxed on the same basis as mutual casualty companies, regardless of whether the life company is stock or mutual. Mutual casualty insurers pay the larger of (1) investment income at the corporate rate or (2) 1% of the sum of investment income and

Speakers Listed for NALU Annual Meet; Time Table Is Given

NEW YORK—National Assn. of Life Underwriters has its program well lined up for the annual meeting at St. Louis Aug. 22-26. Speakers announced thus far include the following:

Clarence Francis, chairman of General Foods Corp. and of the committee for the Hoover report, will be the speaker at the American College hour during the first general convention session, Wednesday morning.

Contrary to the procedure in past years, there will also be an afternoon session Wednesday. Speakers will be Kenneth McFarland, special consultant to General Motors Corp.; Charles Dow, senior vice-president of Equitable Society, who will discuss common stocks as investments for life companies, with special reference to the variable annuity; and Miles Palmer of Edmonton, Alberta, star agent of Sun Life of Canada who will talk on "The Spark in the Motor."

The Wednesday afternoon session will close with the presentation of the John Newton Russell memorial award for 1955. This announcement has in recent years been withheld till the Friday fellowship luncheon, the final day of the convention, when a good many people had left for home.

President George Lynn Cross of University of Oklahoma will be the main speaker at the dinner and conference exercises of the American College and American Society of CLU Wednesday evening. Dr. S. S. Huebert, president emeritus of American College, will present the diplomas.

The Women's Quarter Million Dollar Round Table reception dinner, also Wednesday evening, will have as speaker R. Radcliffe Massey, vice-president of John Hancock. Suzanne Audet, Prudential of England, Quebec, and Rose Herman, Mutual of New York, Chicago, will also speak. Chairman of the WQMDRT is Mrs. Florence McConnell, John Hancock, Galesburg, Ill. Mrs. Laura Benham, Prudential, Niagara Falls, N. Y., chairman of the women's committee of NALU, has not yet announced the program for the women's luncheon Wednesday.

The emphasis will be on sales at the Thursday morning general session. Speakers are R. L. McMillon, Business Men's Assurance, Abilene, Tex., and

(CONTINUED ON PAGE 21)

premium income. Most A&H insurers pay on the latter basis.

On investment income other than the above, 85% of the amount needed to meet reserve and other contractual requirements would be excluded and the balance taxed at the 52% corporate rate. This is equivalent to 7.8% of net investment income.

Pryatel New Ohio Superintendent, Replaces Robinson

COLUMBUS—August Pryatel has been advanced from deputy superintendent to superintendent of insurance in Ohio, succeeding Walter A. Robinson who resigned following an illness of several months.

Mr. Pryatel, whose home is in Cleveland, joined the department in 1949. He is 41. Over the past few months, because of Mr. Robinson's incapacity, he has been taking over more and more of the chief executive duties, making a mark for himself in insurance.

Mr. Robinson, one of the best known and most popular state insurance supervisory officials, joined the Ohio department 45 years ago and has been superintendent since 1948. His actual appointment was announced during the 1948 convention of National Assn. of Insurance Commissioners, where it was received with tremendous applause, particularly from industry people who heralded the action both because it recognized personal ability and because it would be encouragement to department staff men. At that time supervisory officials rarely had department background.

A graduate of Miami University, Mr. Robinson for many years was department actuary, advancing to assistant superintendent in 1946. He distinguished himself for his work in various NAIC activities, and is especially known for his contributions through long membership on the blanks committee, one he has headed since 1929. His long tenure brought him into contact with insurance persons throughout the country, and he enjoys their complete respect and admiration.

A 1936 graduate of Hiram College, where he was president of his class, Mr. Pryatel attended Cleveland Law School, graduating in 1942 when he also passed the bar. He was in private practice for two years and then joined the police prosecutor's office in Cleveland, handling the trial of cases to court, then to jury and then he handled the appeals docket, appearing before the court of appeals and the Ohio supreme court.

Josephs Favors More Investing in Stocks by Life Companies

Chairman Devereux C. Josephs of New York Life favors letting life companies invest much more in common stocks than the New York laws currently permit. He gave his views in an interview recently reported by the syndicated financial columnist J. A. Livingston.

Mr. Josephs' attitude is that life companies should be permitted to average their investment risks as they do their mortality risks and put their money into all classes of securities, in this way increasing the average interest on their portfolios. Mr. Josephs believes that with the expert investment staffs that life companies have they do not need to stick to investments based on fixed-dollar securities.

Andrews Sees No Revival of Payment of Premium Test

MDRT Elects Priebe; Hears Plans for 1956 Cruise Convention to Bermuda

By ROBERT B. MITCHELL

The Million Dollar Round Table climaxed its annual meeting at White Sulphur Springs, W. Va., by:

Hearing Internal Revenue Commissioner T. Coleman Andrews emphatically endorse the 1954 removal of the premium-payment test for estate tax liability and set to rest rumors that its revival is being considered.

—Electing Arthur F. Priebe, Penn Mutual Life, Rockford, Ill., as chairman to succeed George B. Byrnes, New England Mutual Life, New York City, effective Oct. 31.

—Hearing from Mr. Priebe that the 1956 Round Table meeting, to be held May 16-21, will be the MDRT's first "cruise convention" and will be on the round-the-world cruise ship Kungsholm, flagship of the Swedish-American line, en route and for a two-day stay at Bermuda.

In view of reports that have been circulated hinting at efforts to get the



T. Coleman Andrews Arthur F. Priebe
payment-of-premium test reenacted, the MDRT members were particularly interested in Commissioner Andrews' statement, in answer to a question, that he knew of no such suggestions or even of any discussion of that section of the code. He expressed the view that most members of the House ways and means committee and the Senate finance committee regard it as a moral question and that he couldn't conceive of this Congress or any future Congress going back to what he termed the "absolutely immoral" basis in effect prior to the code revisions of last year.

Mr. Andrews, who led in the movement to get the premium-payment test abolished, called that test "one of the most immoral and vicious things ever written on the statute books of any nation in the history of civilization."

Mr. Andrews got quite a laugh at the start of his talk by remarking that he was glad to see "such a fine group of high-bracket customers" and then adding, "I hope all of you are customers."

He said that life insurance has led the way in technical developments, not just on the actuarial side but in the distributive field, which most people don't think of as a technique. He stressed the part that voluntary endeavors,

(CONTINUED ON PAGE 18)

Scores 'Industry' Tag for Life Insurance as Clashing with Professional Concept

Life insurance should be raised to the level of a profession comparable with medicine, teaching, the ministry and the law and should never be referred to as an "industry," the Rev. Thomas L. O'Brien, S. J., director of the Loyola Jesuit Retreat House at Portland, Ore., told members of the Million Dollar Round Table at their meeting in White Sulphur Springs.

"You people are not merchants," he declared. "I have heard, while I have been at this meeting, the words 'insurance industry' over and over and over again, and every time I hear it, I shudder. An industry is an organized process by which raw materials are brought into a certain contact with an

intelligence, and an actual, usable expendable product is taken out the other end for purposes of sale and profits.

"Can you in any justice call yourselves 'industrialists'? Can you in any justice call your work an 'industry'? I think only by straining the meaning of that term and carrying into your work what I think is a very undignified and even destructive attitude which indicates the suspicion, at least, that you are in it for what you can get out of it.

"I've heard some wonderful statements since I've been at this meeting. One of them impressed me no end—namely, that a man cannot succeed in

insurance by serving himself first. He must serve others first. That is what I call the professional attitude.

Urging that MDRT members actively foster the professional insurance concept, Father O'Brien added, "You are living in a community which seems to be stricken, strained, tense with the implied hatred of limitless competition, limitless profit-taking, and if you do not do your part to inject into that community the unselfish service idea, then you are failing in the responsibility of your prominence."

In introducing the speaker, William D. Davidson, Equitable Society, Chicago, member of the MDRT executive committee mentioned that Father O'Brien's father was formerly general agent of Penn Mutual Life in Spokane, Wash.

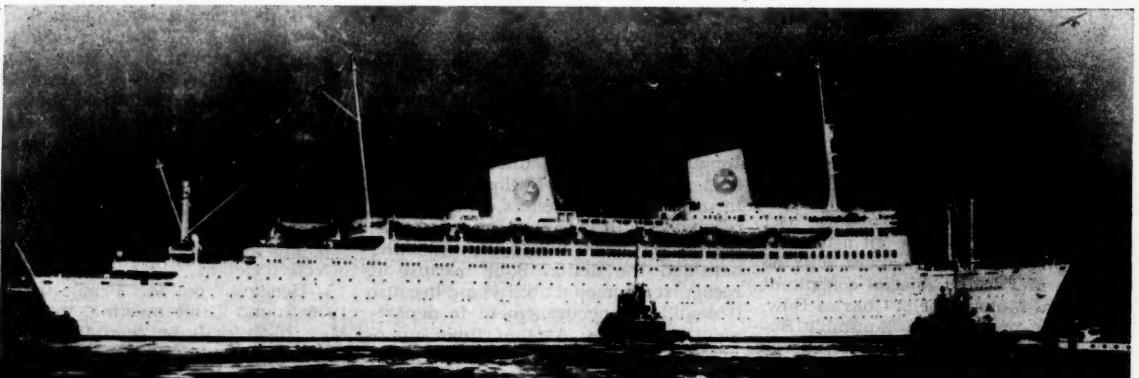
Protective Security to Be New Los Angeles Insurer

Protective Security Life is being organized at Los Angeles, to write both life and A & H, including non-canc and major medical. It is expected to start operations with capital of \$1 million and paid in surplus of \$1.5 million.

Incorporating directors are Arthur Lewis, prominent in property insurance at Los Angeles; Jack B. Hanauer, president of J. B. Hanauer Co., Beverly Hills municipal bond house; John Lishon, assistant professor of economics at UCLA; Dr. Phillip Rossman, Westwood physician and author of hospital administration books, and W. Dean Worcester, former vice-president of Glass Fibers.

Donald C. Kent has been appointed supervisor of the Sanders agency of Washington National at Minneapolis.

Plan Cruise for 1956 MDRT Annual Meeting; 1955 Conventioneers Pictured



The motorship Kungsholm, which will be the convention cruise ship for the 1956 Million Dollar Round Table meeting May 16-21, is the flagship of the Swedish American line.

She is 22,000 gross tons, 600 feet long and 77 feet wide. The ship is completely air-conditioned, every stateroom is an outside room and has its own bath or shower. Every room has

a telephone.

There are 21 meeting rooms of various capacities. Eleven of them are on the same deck—an ideal arrangement for the "room-hopping" sessions. There are two swimming pools and a motion picture theater exhibiting pre-releases.

In announcing the cruise convention at the MDRT annual meeting at White Sulphur Springs, Chairman-elect Arthur F. Priebe, Penn Mutual, Rockford, Ill., said the Kungsholm had been selected after looking over a number of other fine cruise ships. The Kungsholm makes a world cruise each year. The MDRT cruise will be the first time the ship has been chartered for a private convention.

The schedule allows for two full days in Bermuda. While there, the MDRT members will live aboard the Kungsholm. Mr. Priebe asked that members not send in their reservations until they receive the proper forms, about the end of this year. The cruise will start and end at New York City.



THREE GUESTS AND A PAST CHAIRMAN OF MDRT, shown at the annual meeting at White Sulphur Springs, W. Va.: From left, Bruce E. Shepherd, manager of Life Insurance Assn.; G. Nolan Bearden, New England Mutual, Beverly Hills, Cal., 1954 chairman; the Rev. Thomas L. O'Brien, S. J., director of the Loyola Jesuit Retreat House at Portland, Ore., and President O. Kelley Anderson of New England Mutual, who presented each member and guest a world atlas as a souvenir of the meeting.



PICTURED AT THE MDRT annual meeting at White Sulphur Springs, W. Va.:

Top, Howard D. Goldman, Northwestern Mutual, Richmond, Va., vice-chairman-elect, with Laflin C. Jones, Northwestern Mutual's director of insurance services and planning, whose dramatic presentation, "Is This Your Life?" was one of the high points of the program.

Center, William D. Davidson, Equitable Society, Chicago, who was reelected to the executive committee, and C. Wesley Mealing, North American Life of Canada, Toronto, president of Canadian Life Underwriters Assn.

Bottom, Holgar J. Johnson, president of Institute of Life Insurance, and Lambert M. Huppeler, vice-president of New England Mutual.



LUMINARIES AT THE WHITE SULPHUR SPRINGS, W. VA., MEETING OF MDRT: From left, Chairman George B. Byrnes, New England Mutual, New York City, and two of the speakers, Robert L. Walker, president of National Assn. of Life Underwriters and manager for Peninsular Life at Orlando, Fla., and Surrogate Donald G. Dutcher of Bergen County, N. J.; President O. Kelley Anderson of New England Mutual, who spoke at a breakfast meeting; Arthur F. Priebe, Penn Mutual Life, Rockford, Ill., charman-elect of the 1956 MDRT, and John Barker Jr., vice-president and general counsel of New England Mutual, who addressed the meeting on planning the agent's estate.



Dennis B. Maduro, attorney in New York City and a long-time attender of MDRT meetings, is shown at that gathering in White Sulphur Springs with the new member of the executive committee, Adon N. Smith, II, Northwestern Mutual Life, Charlotte, N. C.

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NALU Opposes Bills on Self-Retirement; Urges Amendments

National Assn. of Life Underwriters again has gone on record against bills before Congress which would encourage self-employed individuals and employees not covered by qualified pension plans to set up their own individual retirement plan. Bills now under consideration are H. R. 9, introduced by Rep. Jenkins of Ohio, and H. R. 10, introduced by Rep. Keogh of New York. NALU said the bills should be amended.

Last week, American Life Convention and Life Insurance Assn. of America jointly urged amendment of the legislation so that persons who set up their own retirement plans to gain advantages of the proposed tax law would not be deprived of the right to select life insurance as a method of providing personal retirement benefits. ALC and LIA agreed with the underlying philosophy of the legislation, which would allow these persons to exclude part of their annual income from federal income taxes if they set up self-retirement savings plans, but felt life insurance should be included as one of the retirement methods.

Gerard S. Brown, Penn Mutual Life, Chicago, chairman of the NALU committee on federal law and legislation, sent a statement to the House ways and means committee, telling why the association opposed the bills.

He said they would "create a totally unwarranted and unjust discrimination against life insurance." Also, the bills would "tend to cause widespread and unwise surrender and lapsation of existing annuity, life insurance, and endowment contracts, which would certainly not be in the public interest."

The bills should be amended so that new and existing individual life and endowment policies, as well as annuity contracts, would be allowed as methods by which an individual might fund his retirement program, Mr. Brown said. Such a plan should be applicable to any policy except term insurance. The portion of the premium applied to building up the policy reserve would be excludable from the employee's current income, while the part of the premium representing the cost of any pure insurance protection provided under the policy would not be excludable, he said.

The Jenkins-Keogh bills would permit the individual to exclude from his annual gross income limited amounts paid by him into a bank trustee "restricted retirement fund" or toward purchase of a "restricted retirement annuity contract" issued by a life company. At age 65, he would begin receiving payments, which he would have to report as taxable income.

NALU is not seeking treatment more favorable than that given any other savings program provided by the bills, but does believe that life insurance should be recognized as a method of funding individual retirement programs, just as it has been recognized as such in the case of qualified pension and profit-sharing plans, Mr. Brown said.

He said NALU agrees with the bill's proponents that they are entitled to receive the same income tax considerations in setting up their retirement programs as are given to employees covered by qualified pension and prof-

it-sharing plans. Since thousands of these employee plans are funded by life and endowment contracts, there is no reason why such contracts should not also be included in the bills, he added.

NALU also believes the bills should be broadened to permit employees who are covered or eligible for coverage under qualified pension plans to take some limited advantage of the favorable tax treatment provided in the bills. Since employees often do not receive benefits if they leave their employers' service before retirement age, a complete denial of the proposed tax treatment to these employees would result in discrimination against them and produce a "substantial adverse impact on the thousands of existing pension plans," Mr. Brown concluded.

Sees Increased SS Benefits as Threat to Life Business

Proposals in Congress to add cash disability benefits to the social security act and to lower from 65 to 62 the age at which women become eligible for benefits emphasize the need for continuous efforts by life agents to prevent the smothering of the business by a federal tax device, Albert C. Adams, general agent of John Hancock in Philadelphia, told New Haven Assn. of Life Underwriters. Mr. Adams is a trustee of National Assn. of Life Underwriters and chairman of its committee on social security.

Serious dangers in social security now are evident to anyone who cares to look, he said. Political advantages of continued increases and new types of payment are unlimited. When larger aggregate benefit payments are made in the future, the people must make them good with higher taxes or lower wages or higher prices, he added.

Mr. Adams warned that social security increases above basic minimums constitute a direct invasion of the area well served for more than 100 years by private business. To provide goods above the basic necessities is the individual's responsibility.

Set Theme for N. W. Mutual Agents Meet July 25-27

"A Changeless Need in a Changing World" will be the theme of the annual meeting of Northwestern Mutual Life's Assn. of Agents, to be held at Milwaukee, July 25-27. Leading agents and company officers will analyze the most effective ways of selling. About 1200 agents are expected to attend the convention, planned by and for the agents and attended at their own expense.

Indianapolis Life Hikes Dividend Scale by 15%

Indianapolis Life has increased its dividend scale an average of 15%. The increase, coming in the company's golden anniversary year, applies to all participating policies now in force.

In addition, the rate on dividend accumulations and on policy proceeds left at interest has been increased to 3 1/4%.

The changes were attributed to improved earnings on investments, favorable mortality experience and economy of operation.

COMPANY OFFICERS SPEAK

Old Line Life Agents Meet in Wisconsin, Review New Forms

Old Line Life at its annual agents convention at Maxwelton Braes, Bailey's Harbor, Wis., presented new sales material for five new policies recently released by the company.

The new plans include a juvenile form which automatically increases five times in face amount at age 21 without an increase in premium or further evidence of insurability; another provides low cost reducing term protection to fill the need of mortgage redemption; a non-participating life paid up at 65 form has a refund feature of all premiums paid should death occur prior to age 65; an executive accident policy features optional elimination periods to 90 days and provides monthly indemnity up to two years if insured is unable to do his accustomed work and thereafter for life if unable to engage in any occupation. Optional acci-

dent medical expense to \$1,500 and principal sum to \$10,000 are also available. This plan provides non-disabling accident benefits up to one fourth the monthly indemnity, as well as partial disability benefits up to one-half the monthly indemnity for six months. Indemnity available ranges from \$50 to \$400 per month.

Five, two or one year sickness, house confinement not required, and life time accident are outstanding features of a new executive A&H policy. Optional elimination periods to 90 days are available and accident features are identical to the executive accident plan.

J. E. Clifford, Milwaukee, was named president of the Star Leaders Club, with N. D. Hempe, Milwaukee, and G. J. Hulka, Waukesha, becoming 1st and 2nd vice-presidents respectively. Mr. Clifford attained the presidency for the fourth time and both he and Mr. Hempe received the company's highest field award.

Featured speakers included company president J. H. Daggett, F. S. Talbot, director of field education, M. F. Ryan, vice-president, and H. R. Buckman, Milwaukee, the company's leading producer.

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has
IN STOCK

**the ideal coverage
for the young man
on his way up!**

• Graded Premium for 6 years

• \$10,000 Immediate Permanent Protection

• \$9,192.70* In Cash available at Age 65

1960
\$233.00
6th and subsequent years

1959
\$209.70
5th Year

1958
\$186.40
4th Year

1957
\$163.10
3rd Year

1956
\$139.80
2nd Year

1955
\$116.50
1st Year

STOCK NAME GPL-Age 30-\$10,000

*The dividends in this illustration are neither estimated nor guaranteed, but are computed on the same basis as the scale of dividends in effect at the date of this illustration, January 1, 1955. Similarly, the interest rate assumed is that currently allowed on such accumulations.

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BERKSHIRE
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Life, Annuities, Accident & Health and Hospitalization
PITTSFIELD, MASS. • A MUTUAL COMPANY • CHARTERED 1851

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Business Insurance Room-Hopping Hosts at MDRT Meeting Cover Taxation Angles

The hosts at all five of the room-hopping sessions covering business insurance at the annual meeting of the Million Dollar Round Table at White Sulphur Springs dealt in some detail with the effects of the revenue code on business insurance situations.

Vincent A. Milette, Northwestern Mutual Life, Newark, said the simplest and most effective way of opening cases for reevaluation is to see the client each year with a "recertification" certificate in which he will certify the value of his business for the succeeding year. The need for filling this in necessarily opens a discussion among the stockholders as to what values shall be entered in the certificate.

Mr. Milette said that (1) practically all his business insurance cases are initially closed because of the fact that a binding buy-sell agreement with valuation established through "arms-length" transaction will keep estate values down and (2) periodic reevalua-

tion will constructively develop a never-ending source of new business. He discussed six cases he opened in 1942-47 on the basis of (1) above. These cases produced an opening volume of \$627,000 and initial premiums of \$24,000. As of Dec. 31, 1954, these same cases, reopened through reevaluation, have produced a total volume of insurance of \$5,300,000 and total annual premiums of \$218,000. Not all the \$5,300,000 was for business purposes, since the increase in a man's business interest also increases estate taxes against his estate, and hence more insurance is needed for estate tax purposes.

It is not inconsistent to sell on the basis that a "beneficial" valuation will keep estate taxes down, even though it may result in selling out the decedent's interest for less than its real worth, said Mr. Milette. To propose an agreement for full value right at the start might well overwhelm the client. Also, many business partners and

stockholders have been educated to accept a lower value for their business interests in event of death, since there is always in their minds the question of who would buy the interest.

Another and probably much more important reason why the valuation question may require review at a later date, said Mr. Milette, is that when the agent makes the first sale he probably hasn't gotten close enough to the owners so they will give him full and adequate information. So for sales strategy he'd better use the values suggested by his clients. Finally, there is the client's probable belief that the values he is giving are realistic ones.

Harry Steiner, Equitable Society, Chicago, stresses "peace of mind" in selling stock retirement insurance, by pointing out that "business agreements are the solution to the business man's peace of mind; funding is the solution to business agreements, and of course life insurance is the solution to funding." His first step is to urge the establishing of a valuation basis, no matter what it may be, putting it in writing. Drafting the stock purchase agreement naturally leads to discussion

of life insurance.

Mr. Steiner told of a key-man sale like this: Employee "A" draws \$15,000 salary. The corporation insured his life for \$60,000, using a combination of paid-up at 65 contract coupled with a retirement income at age 65 contract. The employer agrees to pay \$30,000 of the proceeds to the employee's family in any way the employee wishes, if he is still working for the corporation at the time of his death; further, that at retirement age he will be given a percentage of his salary then in the form of a monthly income for 120 months, which will be paid to him out of the retirement income contract if he is still with the company. All this without cost to the employee.

This is equivalent to telling the employee that he is going to get free \$30,000 of insurance protection and an individual retirement plan and if he felt this \$30,000 could be a replacement for some of his other coverages it would be the equivalent of a salary increase, tax-free. The corporation, on the other hand, would have the benefit of collecting, upon the employee's death, \$60,000 income-tax free. It would pay out the \$30,000 over a period of time as a business expense and the other \$30,000 would be immediately added to surplus as a return for some of the premiums paid on which there was no tax deduction and a replacement of the economic loss of the key-man. If the employee survived to retirement age, the premiums on both policies would cease, income would be paid to the employee from the retirement income contract, and the paid-up policy would be collected by the corporation when the employee eventually died.

Edward J. Mintz, New York Life, Salinas, Cal., said he has found the best prospects under the 1954 revenue code to be successful one-and two-man corporations and persons who are in high income and estate-tax brackets.

"Our role as life underwriters on the estate-planning team is to go into offices and homes all over America to stimulate, to goad, to motivate estate owners who are often busy with their daily routines and unduly complacent about their affairs, to permit the members of our team to help get his estate plan in order," said Mr. Mintz. "This new tax law has provided the best stimulant to our activities."

Mr. Mintz said that short-term trusts under the new tax law particularly appeal to a parent who may be in a high tax bracket for a period of 10 years or more, after which he wants to get back for his own retirement purposes the property he has transferred into the trust. Often the income tax savings resulting from taking income property out of the top of his own tax bracket and putting it into the lower trust tax bracket more than pay for the life insurance which the trust owns to the beneficiary of the trust.

Insured purchase agreements to provide continuity to keep out undesirable outsiders, etc., have been strengthened and made more flexible under the new tax law, said Mr. Mintz. Under the old law, if partners owned insurance on each other and the survivors wanted to buy the insurance on each other from the estate of the deceased, they would be faced with income tax consequences of a transfer for value, where the transferor is a partner, a partnership or a corporation.

Previously the uninsurability of a

(CONTINUED ON PAGE 22)

GROUP LIFE RATES REDUCED

Reduced rates for Group life recently announced help the LNL representative serve and sell his Group prospects. New deductible coverages added to his already complete Group insurance line also help. He can meet his prospects needs—whether for life, disability, or retirement plans.

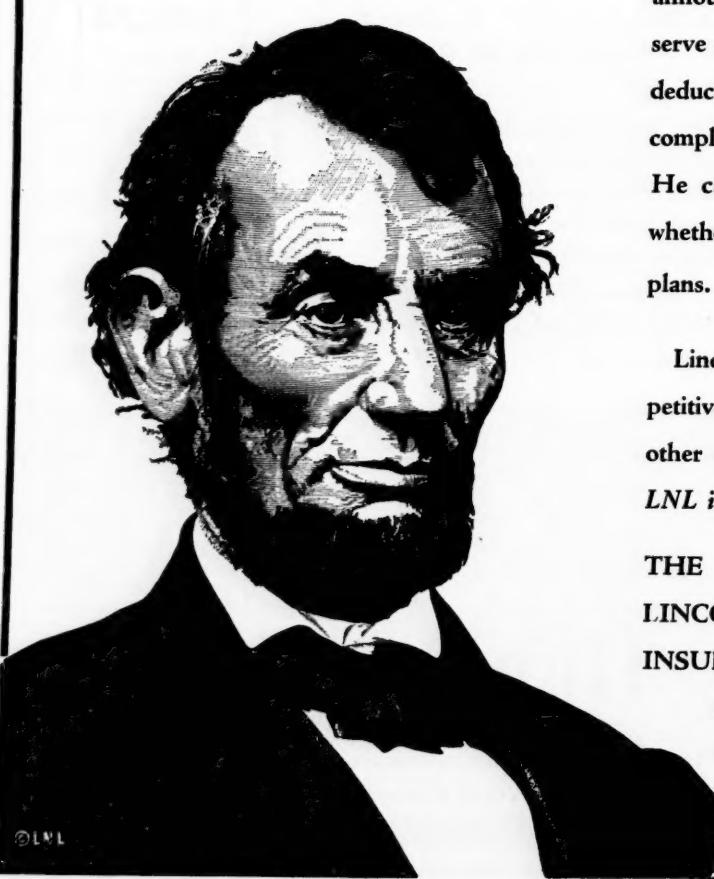
Lincoln National's complete and competitive Group insurance service is another reason for our proud claim that *LNL is geared to help its field men.*

THE
LINCOLN NATIONAL LIFE
INSURANCE COMPANY

Its Name Indicates Its Character

Fort Wayne 1, Indiana

50th ANNIVERSARY - 1955



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Permanent-Plus-Temporary Plans Lead in Amount of Sales, LIAMA Reports

Life insurance policies which are a combination of permanent and temporary protection lead all life insurance policies in amount sold, according to the first of a series of quarterly surveys made by LIAMA.

These combination plans, including family income, family maintenance, mortgage repayment and double protection policies, provide extra coverage for the early policy years. They accounted for 31% of the ordinary life insurance bought by adults during the fourth quarter of 1954, according to this survey. This proportion of purchases, if reflected in all other quarters of the year, would represent about \$7 billion of new life insurance on these plans bought during the year.

On the basis of number of policies bought by adults, the family income and other combination policies accounted for 20% of the total. The average size of these policies was \$11,800, compared with an average of \$6,400 for all other types of policies.

As to policy plans that were not a combination of different types, straight life policies led in both amount and number of policies, accounting for 24% of the number of policies bought by adults and 29% of the amount of insurance. Limited payment policies accounted for 23% of the number and 11% of the amount. Endowment policies comprised 16% of the number and 6% of the amount. Retirement income policies were 3% of the number and 3% of the amount. Term insurance made up 14% of the number of policies and 20% of the amount of insurance bought. Term figures include modified policies with lower premiums for the early years.

Business life insurance represented another large segment of the fourth quarter business, 11% of the amount purchased by adults and 3% of the number of policies. The average policy size of business insurance units was more than \$25,000. Business life insurance included key-man, business continuation, partnership or corporation life insurance.



John H. Evans, president of Ohio National Life, is shown congratulating Grant Westgate, agency vice-president, on his 25th anniversary with the company. Agents paid a surprise production tribute to Mr. Westgate, exceeding all company records for a single day's business with new applications totaling more than \$2,943,000. Several of these applications are shown on Mr. Westgate's desk.

Mr. Westgate joined Ohio National in 1930 as a general agent, went to the home office in 1931, and assumed his present position in 1951.

amount of insurance bought. Limited payment life was the most popular form for the youngsters, accounting for 57% of the number and 52% of the amount bought by juvenile, evidence of a wide interest in providing paid-up insurance for them as they reach maturity. Two-fifths of the number of juvenile policy purchases were at ages under one year.

Juvenile life insurance, that bought on the lives of children under age 15, made up about one-fourth of the number of policies bought, but being of a small average amount, about \$1,400, they represented only about 6% of the

bought by adults.

The 20s made up the peak buying age, the first half of the 20s for women, the second half for men.

The distribution of the quarter's adult buyers by occupational groups showed the following ranking by number of policies bought: Business executives, managers and proprietors; operatives, including chauffeurs, truck drivers, routemen, railroad brakemen and similar workers; craftsmen and foremen; professional people; housewives; clerical workers; sales workers; students; farmers and farm laborers.

Today's Market

IS AN INVITATION TO C.L.U.'S

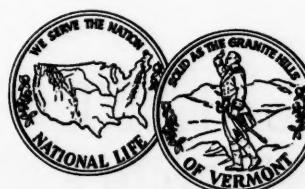
No doubt you have been noticing the way that enrollments in C.L.U. classes and study groups have continued to climb, year after year. The past school year was another record-breaker. The school year 1955-1956 promises more progress.

WHY?

The answer is one that is well known to every observing Life insurance man. It is because today's market is offering increasing opportunities for professionally trained Life underwriters. For example, as one well-known Life insurance leader has said, "The past ten years have seen more changes in the industry than the preceding hundred years—and the next ten are likely to be just as exciting."

New tax and estate problems. New business insurance problems arising from these sources. Social Security. Expanded Group insurance. Accelerated interest in Accident and Sickness insurance. Higher income levels throughout the entire market. All these developments and many more invite the man who wants to make a career of Life insurance.

If you have not already enrolled in a C.L.U. class or study group—do it now. You will find a welcome awaiting you—and the opportunity to match wits and experience with other fine Life insurance men and women who recognize the importance of professional preparation for service of the kind which more and more of today's clients expect and require.



National Life of VERMONT

Insurance Company

Montpelier

FOUNDED IN 1850 . . . A MUTUAL COMPANY . . . OWNED BY ITS POLICYHOLDERS

Praises Acceptance of Income Property for Investment Funds

Investment of life insurance funds in income producing property has become "increasingly acceptable" to many life companies although they still consider mortgage loans on private homes the backbone of their real estate investment program, P. S. Bower, assistant general manager and treasurer of Great-West Life, said in a lecture at the school of mortgage banking at Northwestern University, Evanston, Ill.

He said a major trend in the real estate outlook of many companies is the development of equity investments, through which the industry is departing from its historical position as creditor and mortgagee and entering the realm of ownership. From this aspect of real estate investment, the "purchase-leaseback" as an investment medium has found acceptance among a wide group of companies, he said.

Mr. Bower said as the economies of Canada and the United States grow,

insurance codes will be amended so that more equity funds can be made available by life companies for the development of business and industrial properties.

Mr. Bower said about 65% of the industry's investments in income producing real estate is tied to apartment dwellings, 25% in store property and the remainder in industrial property.

He blamed the industry's "recognized reluctance" to invest in mortgages on income producing property other than apartment dwellings on three factors: the tremendous activity of the investment department in the single family residential field; the general lack of understanding and sometimes "fear" of the investment potential of income producing property, and frequent poor experience of mortgage loans on such properties in the past.

"Nevertheless, I think it is only fair to add that there is an increasing acceptability of revenue producing real estate as a medium of investment for more and more life insurance funds," Mr. Bower said.

Insurers Avoid Over-insurance By Underwriting

The problem of over-insurance resulting from multiple A&H coverages has been surveyed by Bureau of A&H Underwriters. The survey report indicates that companies generally rely on underwriting techniques to avoid over-insurance. Contract provisions are also used in non-cancellable loss of time insurance and certain newer group coverages. In the writing of individual and family coverages, insurers generally employ underwriting rules that set a maximum limit of participation. These are usually applied in accidental death and dismemberment, loss of time, hospital, surgical, and blanket accident coverages. Companies usually will not duplicate major medical expense insurance.

While individual insurers in their initial underwriting of higher weekly indemnity limits regularly require inspection reports to determine the relation of the applicant's income to

the loss of time benefits applied for, the "other insurance" information obtained by individual writers for the issuance of a policy is generally limited to that of similar forms of individual and family coverage. As in the individual field, principal reliance for group coverages is placed on underwriting technique to avoid over-insurance.

The survey revealed that a number of companies refuse to superimpose group coverages or to supplement existing group plans where the aggregate benefit amount produces over-insurance. Companies usually obtain "other insurance" information related to company sponsored plans to which the employer contributes or makes payroll deduction in initially underwriting a risk. Benefit limits may be determined by the level of local charges for hospital and medical care.

In the area of contractual provisions, individual insurers writing non-cancellable loss of time coverages generally use the "relation of earnings to insurance" optional provision of the uniform individual A&H policy provisions law. On the other hand, bureau companies which write coverages that are renewable at the option of the company do not, as a rule, include any provision for the avoidance of over-insurance resulting from duplication, using neither the "other insurance in this insurer" provision, nor proration provisions such as "insurance with other insurers" optional provision of the 1950 policy provision law.

Group insurers generally make no provisions in their contracts for avoiding over-insurance except in the case of major medical as written by some insurers. They generally exclude disabilities already covered under a workmen's compensation or an occupational disease statute and frequently they exclude coverage for confinements in veterans administration or government operated hospitals.

Total Policy Benefits Pass \$100 Billion Mark

NEW YORK—The \$100 billion mark was reached in the first quarter of this year in life insurance policy payments to policyholders and beneficiaries since the start of the business more than a century ago, according to the Institute of Life Insurance. The institute said the second half of this aggregate of benefit payments was made in the last 15 years. More than 900 U. S. life companies are now running at an annual rate of more than \$5 billion.

Equitable Cites Agency Parents Whose Children Follow Footsteps

In recognition of parents in Equitable Society's field force whose children also are working for the company, *Agency Items*, a company publication, has designated these mothers and fathers members of its new honorary "Cub Club."

Agency Items has sent framed certificates to managers for presentation to the 142 parents who are "charter members" of the new club. The award pays respect to the mothers and fathers whose "cubs" have followed "in the path of an illustrious parent as a full-fledged member of the Equitable field force."

Colonial Life Runs Outing

Home office employees of Colonial Life held their annual outing at Blairstown, N. J. A. buffet luncheon, a program of games sponsored by the company's athletic association, and a dinner with awards for the games were on the program.

THE LEADERS WILL CELEBRATE

National Life's leading Field Men,—several hundred of them,—will qualify on their 1955 records to attend four regional Leaders' Meetings to be held next April, in the following inviting locations:

Hotel Westward Ho, Phoenix

Hotel Royal York, Toronto

Hotel Roosevelt, New Orleans

Hotel Daytona Plaza, Daytona Beach



THE
**NATIONAL LIFE
AND ACCIDENT
INSURANCE COMPANY**
HOME OFFICE - NASHVILLE, TENNESSEE

LIAMA Reports on A&H Practices of 60 Life Companies

A report on A&H practices in 60 life companies recently released by LIAMA shows that:

- Two-thirds of the companies give credit for A&H production in their new-agent financing plans. A&H commission contracts in 45 companies may be maintained without meeting any minimum production requirements and in 44 companies full A&H renewal commissions may be earned without meeting an A&H production minimum.
- The prevailing pattern in home offices is for all agency department members to share in the responsibilities of A&H training, supervision and production. In 20 companies A&H activities are conducted primarily by a special unit.
- In regard to A&H training 26 (of the 60) companies have one home office staff member who is responsible for agent training; 44 have or are preparing a uniform A&H training course for agency use; 16 provide training in A&H programming; and in 25 companies training in A&H is given along with life insurance training.
- The most abundant records are maintained in the home office at the company level, with progressively fewer records maintained on the basis of individual agencies or agents.
- Two-thirds of the contributing companies have a standard follow-up procedure for A&H during the grace period for reinstating recently lapsed policies. Special inducements to agents to keep A&H lapses low were described by 20 companies.
- Separate contests for A&H, or clubs based on A&H business, are maintained by relatively few companies. More typically, life and A&H production credits are combined to determine club or convention qualifications.
- More than two-thirds of the companies offer one or more kinds of individual A&H coverage on a monthly premium basis. 41 maintain new A&H premium records to permit a breakdown of new premiums by type of coverage.

Travelers Names Nine in A&H Life Fields

Travelers has named Herrick S. Massie Jr., who has been field supervisor at Richmond, Va., assistant manager for life and A&H at Charlotte, N. C., with headquarters in Raleigh.

The company also appointed seven field supervisors. They are Robert E. Dooley at San Francisco, Ivan L. Roberson at Oklahoma City, Jack H. West Jr. at Jacksonville, Clayton M. Hajj at Minneapolis, Marvin E. Davis at Omaha, James E. Lively at Charleston, and George K. Salt at Miami. Charles W. Deter was appointed agency service representative at Sioux City.

1955 Insurance Almanac Printed

The 1955 edition of the *Insurance Almanac* has been printed and is being distributed to subscribers. The *Insurance Almanac*, which is made up of two volumes, is published by the Underwriter Printing and Publishing Co., 116 John Street, New York 38, N. Y. Volume I, the 1955 edition of "Who's Who in Insurance," contains biographical sketches of executives, officials, agents and others in the insurance business. It was published earlier in the year.

The second volume is a reference book of factual and statistical information on all branches of insurance. The company section gives the officers, coverages and territory of companies. Other sections cover insurance departments, insurance organizations, agents

and brokers, adjusters, actuaries, insurance management groups, etc.

The cost of each volume is \$5; if both are purchased together, the total cost is \$8.

Jackson to Prudential's New Washington Agency

Prudential has opened a third agency in Washington and has placed Dale A. Jackson in charge.

The new office, known as the Potowmac agency, will be devoted primarily to developing brokerage business in the District of Columbia and four Maryland counties.

Security Asks Stock Increase to Finance New Life Company

Security of New Haven will hold a special meeting of stockholders July 19 to vote on an amendment to the charter granting an increase in authorized capital stock from \$5 million to \$10 million, any new stock to be common or preferred. Approval also is sought to sell privately 40,000 shares of cumulative preferred stock, increasing capital and surplus by \$4 million. If stockholders approve, Security

will use \$1 million of the new funds to invest in its new wholly-owned subsidiary, Security-Connecticut Life, which is the first ordinary life charter presently active granted by the Connecticut general assembly since 1865. The balance will be used for expanding the company's general insurance business.

President Peter J. Barry said the board is recommending that stockholders approve the proposal because it believes funds can be secured under favorable terms and at a minimum of expense.

*Meet
the man
behind this
door*



INSIDE doors like this, you can count on meeting some of the best and most successful men in the life insurance business—the general agents of The Northwestern Mutual Life Insurance Company.

There are 93. All of them started with the Company as field agents. They are men who have demonstrated high qualities of leadership and ability. They are men who have inspired, trained and guided Northwestern Mutual agents to a service record unmatched in the entire field of life insurance. Here they are—listed by name and state.

GENERAL AGENTS

ALABAMA

John M. Law

E. T. Proctor

ARIZONA

H. F. Vinson

ARKANSAS

John G. Darling

CALIFORNIA

Paul E. Demeter

John S. Kems

John R. Mage

R. J. Shiple

Robert W. Stockton

COLORADO

Ralph L. Theisen

CONNECTICUT

Glenn B. Dorr

DELAWARE

A. C. F. Finkbiner

DIS. OF COLUMBIA

P. R. Harrison

GEORGIA

John M. Law

IDAHO

Bert B. Boyd

Ray M. Wagoner

Sherman C. Young

ILLINOIS

J. H. Copeland

Charles V. Durr

C. R. Garrett

Winfred L. Jacobsen

Jameson & Phelps

D. A. Kaufman Co.

Stumm & Roeder

INDIANA

H. L. Cramer

B. A. Million

Guy E. Morrison

IOWA

J. H. Copeland

Dean M. Kirl

H. C. Myhre

L. P. Schwinger

KANSAS

Henry W. Laffer

Joseph D. McTigue

KENTUCKY

W. H. Honeycutt

H. M. Johnson, Jr.

Roe Walker

MAINE

W. B. Cushman

MARYLAND

A. C. F. Finkbiner

P. R. Harrison

Russell L. Law

MASSACHUSETTS

G. Brady Buckley

V. D. Griffin

E. T. Lohrgren

Jason E. Stone, Jr.

MICHIGAN

J. Rex DeHaas

C. R. Eckert

Ralph W. Emerson

Bruce W. Gilmore

Albert I. Roeder

MINNESOTA

Paul W. Avery

William C. Dunbar

S. A. Erickson

Warren W. Lundgren

F. R. Olsen

MISSOURI

Sam C. Pearson, Jr.

J. Harry Veatch

MONTANA

Howard F. Hoene

NEBRASKA

Milton Koch

Kenneth M. Snyder

NEVADA

John S. Kems

Sherman C. Young

NEW HAMPSHIRE

V. D. Griffin

NEW JERSEY

J. Robert Guy

J. W. Heinckamp

A. J. Johannsen

Krueger & Davidson

W. F. McMartin

J. Vincent Talbot

Charles A. Votaw

NORTH CAROLINA

L. W. Norton

NORTH DAKOTA

Paul W. Avery

OHIO

Raymond J. Dolwick

E. Parker Colborn

E. R. Dill

E. R. Gettys

J. Robert Guy

A. J. Johannsen

Krueger & Davidson

E. E. Lincoln

W. M. McMartin

J. Vincent Talbot

Charles A. Votaw

OREGON

L. J. Evans

Ray M. Wagoner

PENNSYLVANIA

P. T. Allen

Roger A. Clark

Richard E. Eckel

Donald L. Ford

Elmer V. Gettys

Deal H. Tompkins

Roe Walker

Russell E. Werts

H. E. Whalen

S. L. Youngquist

RHODE ISLAND

E. T. Lohrgren

SOUTH CAROLINA

John M. Law

L. W. Norton

WASHINGTON

Bert B. Boyd

WEST VIRGINIA

Lawrence J. Evans

Joe F. Habegger

WISCONSIN

Donald L. Ford

Russell L. Law

Deal H. Tompkins

YONKERS

J. Lowell Craig

William C. Dunbar

C. L. Egbert

Frank R. Horner

Verne W. Huber

Stuart H. Koch

Willard L. Monsen

WYOMING

Howard F. Hoene

Ralph L. Theisen

The NORTHWESTERN MUTUAL Life Insurance Company

MILWAUKEE, WISCONSIN—"The Career Company"

College Teachers Win Summer Fellowships at Insurers' Offices

Thirty-five insurance teachers in U. S. colleges have been awarded summer fellowships under the five-year-old cooperative program sponsored by American Assn. of University Teachers of Insurance and insurance trade organizations.

The insurance teachers will spend four or six weeks in the home offices of life, fire and casualty companies where they will study policies, procedures and problems. Each fellow is assigned to a company officer, and they carry out together a program designed to give the teacher an insight into the business. Laurence J. Ackerman, dean of the University of Connecticut school of business, is chairman of the coordinating committee which administers the program.

These teachers have been assigned to life companies: Wilbur J. Abell, Bowling Green State University, to New York Life; Robert K. Castetter, San Diego State College, to New England Mutual Life; Laurence L. Corley, Sam Houston State Teachers

College, to Southwestern Life; Lewis E. Davids Sr., Texas A. & M., to Provident Mutual Life; Paul Eggertsen, Loyola University of Los Angeles, to California-Western States Life; Hershon Freeman, Oklahoma A. & M., to Farm Bureau; Loren E. Hancuff, Virginia Polytechnic Institute, to Provident Life & Accident; Richard Hooley, University of Vermont, to Phoenix Mutual; Lee L. Johnson, West Texas State College, to Rio Grande National Life; Stanford L. Johnson, Utah State Agricultural College, to California-Western States Life; James B. Ludtke, University of Massachusetts, to John Hancock; William C. Marsh, City College of San Francisco, to West Coast Life; Jesse F. Pickrell, North Texas State College, to Massachusetts Mutual Life; Karl D. Reyer, Louisiana State University, to Mutual Benefit Life; Robert E. Schultz, University of Southern California, to Occidental of California; Kenneth Sharkey, Purdue University, to Equitable Society; H. Wayne Snider, Illinois Wesleyan, to Northwestern Mutual Life; Herbert J. Vogt, Florida State University, to Travelers; and Abbas S. Yousrui, University of North Dakota, to Metropolitan Life.

Zalinski Gives View on Sales at Chicago

Members and guests of the Ferrel M. Bean John Hancock Chicago agency heard Edmund L. G. Zalinski, sales administration vice-president, give a brief analysis of the economic situation and its effect on life insurance sales at a recent luncheon preceding a tax clinic sponsored by the city's John Hancock general agents.

Mr. Zalinski said some things are reaching the danger point. Some of these appear to be the beginning of another inflationary spiral; the progressive increase of social security benefits and recurrent discussion about lowering the age limit on women for social security purposes.

On the positive side, he said current general prosperity also means increased life sales; and not to be overlooked is the tremendous group of people who before World War II were in the \$2,500 or under class and are now in the above-\$5,000 bracket. There are 10 times as many families in the latter group as there were in 1940, he said. This means package selling and getting away from too much programming and double interviews. He favors simple programs with graphs, charts and other visual matter being completed after the sale. He warned against drawing up settlement options too rigidly, since changes are constantly occurring.

Since the average life span appears to be increasing, Mr. Zalinski advocates selling more permanent insurance and getting back to fundamentals, selling people the idea of providing their own security through life insurance instead of social security and pensions. He remarked that only about one-third of any given group stay with a firm long enough to collect a pension. On the other hand, people are often forced to stay on a job they perhaps dislike, because, lacking sufficient insurance, they must depend on a pension.

Mr. Zalinski said with the stock market again rising, life salesmen must stress the importance of guaranteed values more than ever before. He also advocated going after the business dollar since people are apparently willing to spend more for business than for personal insurance these days. Not all day-time work. He stressed learning only that, selling business insurance is all needs for business life and also familiarity with group and other mass coverages through the business dollar. As to group, he said this educates people to the benefits of life insurance, and the "by-products" are tremendous.

Also from the home office for the luncheon and tax clinic were Clarence W. Wyatt, group vice-president, and W. F. Kiel, assistant manager field service.

Hear Layne at San Antonio

San Antonio Assn. of A. & H. Underwriters heard Carl Layne, western division agency supervisor, General American Life, speak on A&H insurance for the business man at a recent meeting.

Emphasizing the need of the business man for disability coverage, he said that of 41 million businesses 85% are "one-man businesses." There are also 850,000 businesses with eight or less persons employed and the loss of one employee may be a serious matter. The success of any business is dependent upon the ability of an alert manager and his key men and that an analysis of business failures shows that their cause is lack of alert management. Thus the prolonged absence of the manager may be fatal whether the manager is sole proprietor or in

charge of a small group.

He went on to say that in the early days A&H insurance was optional; now it is the only method of protecting against certain types of loss of business profit, giving the increase in taxes as one of the decreases in income that needs covering.

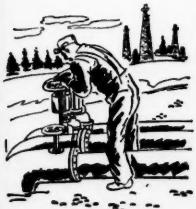
Hancock Names Martini

Philip Martini, assistant manager of the Passaic, N. J., district office of John Hancock since 1937, has been appointed regional supervisor, field training, in the greater New York territory. He has been with the company at Passaic since 1935.

Canada calls "GO-GETTERS"



EARL PUTNAM
President



PIPELINES MOVE BLACK GOLD... President says...

Oil, because of its value in countless activities and due to its wealth producing propensities, is often termed "black gold." Pipelines moving oil from Canada's Prairie Provinces have been a double factor in Canada's continuing prosperity. Their construction brought outside capital into our country as investments and upon completion moved oil eastward where it aids in expanding industrial activity, work and wages.

Canada Health & Accident Assurance Corporation is participating in this unprecedented prosperity. The Company offers insurance men, who desire to return to Canada, the opportunity to benefit too. We are big—one of the biggest in our field in our country—and are continually growing bigger. With us you can get rich territories—highest commissions—and our policies are truly appealing to prospects.

Hospitalization, Surgical, Pre-Paid Medical, Sickness, Accident, Non-Cancellable Accident & Health, Franchise, Group and Special Risks.

Write me personally, in confidence, and get in on Canada's expanding prosperity.


EARL PUTNAM, PRESIDENT

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CANADA HEALTH & ACCIDENT
ASSURANCE CORPORATION
A Solid Canadian Company
Home Office WATERLOO Ontario
CANADA

Bankers Life of Nebraska offers this plan which has full coverage for the insured at fifteen days of age, and benefits which increase from \$1000 to \$5000 when the insured reaches age 21. Other features included in this outstanding policy are: the return of premiums if the insured should die before the Anniversary date nearest his 21st birthday; an automatic waiver of premium disability when the insured reaches age 21; automatic payment of premiums until the insured's 23rd birthday should the payor die before that time. The policy may be issued with waiver of premium.

These outstanding features make it apparent why this is "The Plan to Fit the Little Man."

Bankers Life
INSURANCE COMPANY of Nebraska
HOME OFFICE LINCOLN
SINCE 1887

July 8, 1955

American Bar Assn. Insurance Section to Meet Aug. 22

The insurance section of American Bar Assn. will hold its annual meeting Aug. 22 at the Benjamin Franklin hotel, Philadelphia. Of interest to life insurance men will be a talk on the first five years of the New York disability benefits laws by Harry G. Waltner Jr., social security adviser of Esso Standard Oil Co., and a panel discussion on the relationship between trauma and malignancy. Acting as attorneys for the plaintiff and defendant, respectively, will be Raoul D. Magana, Los Angeles attorney, and William F. Martin, New York City attorney. Medical experts who will discuss the subject are Dr. A. Reynolds Crane, chief pathologist of Pennsylvania Hospital, Philadelphia, and Dr. N. Volney Ludwick, professor of radiology, Hahneman Medical College & Hospital, Philadelphia.

G. Robert Muchemore of Mutual Benefit H.&A. will discuss what total disability is. Commissioner Knowlton of New Hampshire will speak on the jurisdiction of the federal trade commission over trade practices of insurance.

IBM Type 705 Ordered by National L. & A.

National Life & Accident has placed an order with International Business Machines Corp. for a type 705 electronic data processing machine. It will be installed in about two years at a \$30,000 monthly rental.

National Life & Accident is the 10th insurance company to order a type 705, newest and largest of the IBM electronic "brains." The decision to



J. E. Wills, executive vice-president of National Life & Accident (seated), is shown signing an order for IBM's 705 electronic data processing machine which the company has ordered. Norman M. Hughes, vice-president and chief actuary (left), O. J. Davis, secretary, and Mr. Wills made up a committee which conducted studies preceding the decision to acquire the new equipment.

place the order was made after several months' studies by a committee which included J. E. Wills, executive vice-president, Norman M. Hughes, vice-president and chief actuary, and O. J. Davis, secretary.

The system will be used to do laborious time-consuming tasks now done by employees, thus releasing these people for more creative work within the company and leading to greater opportunity, according to Chairman Edwin W. Craig. It will not affect job security or result in down-grading of

jobs, he said.

A team of company accountants and statisticians is undergoing training and setting up procedures for putting the type 705 to work. Later, this group will train other employees in preparation for its installation.

An IBM type 650 magnetic drum data processing machine has been ordered for less complex operations. It will rent for \$3,750 a month.

D. L. Smith Postal Director of Agencies

Postal Life has appointed Donald L. Smith director of agencies.

Mr. Smith, who has been assistant superintendent of agencies of Acacia Mutual Life since earlier this year, joined that company as home office field supervisor in 1946 after discharge from the army. He was promoted to

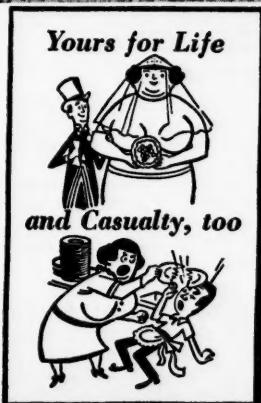
director of field training two years later.

He entered the business in 1937 with Equitable Life of Washington, D. C., and later served as assistant district manager and home office field assistant.

President George Kolodny and Postal Life general agents of the New York City area welcomed the new agency director at a dinner.



for-waard!



THE WAY this Company marches along, you might think we had a drill sergeant barking commands all day. On the contrary, our officers seldom speak louder than a whisper and "At Ease" is the Order of the Day. You'd have a long march before you'd ever find a friendlier pack to run with.

Roy A. Foan, Vice President and Director of Agencies

A network of General Agencies throughout Union's 16 states is presently in formation. A few choice territories are still available.



**UNION CASUALTY AND
LIFE INSURANCE COMPANY**

17 East Prospect Avenue, Mount Vernon, New York

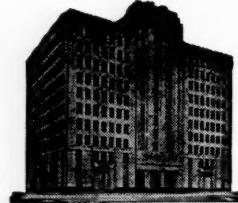
Liberty National Is Growing

We of Liberty National feel that our continued expansion and growth comes as a result of efficient and courteous service extended to our policyholders by our men in the field. These efficient and loyal field representatives represent a great asset which cannot be listed on any balance sheet.

To serve — and to serve well — is our firm resolution.

LIBERTY NATIONAL
LIFE INSURANCE COMPANY
BIRMINGHAM, ALA.

FRANK P. SAMFORD, President



OVER A BILLION DOLLARS
OF LIFE INSURANCE IN FORCE

Occidental, Cal., Holds Seminar; Group Sales at Record Pace

Horace W. Brower, president of Occidental Life of California, addressing a group seminar at Ojai, Cal., attended by more than 50 field managers, stated that during the first five months of 1955 the company produced more than \$178 million in new group life and more than \$5½ million in new casualty premiums.

This represents approximately 85% more group life than was written for the same period in 1954 or 1953; 128% more than in 1952, and more than all the company's new group life production for all of 1951.

Herbert D. Eagle, vice-president and head of group sales and service, told the sales force that to sell they must motivate the prospective buyer by painting a clear picture of what can be achieved through purchasing their products.

Other speakers included Vice-presidents W. B. Stannard, agency administration; C. H. Tookey, actuary; J. P. Dandy, group underwriting and operations, and H. B. Trueblood, public relations and advertising.

During the seminar, new policies and sales aids were introduced. A plan, to be known as the LP plan, provides life insurance for small employe groups of 10-24. Each person is eligible for up to \$5,000 of protection, plus double indemnity benefits. Another provides a student with \$3,000 medical protection against accidents during the school day, \$1,500 accidental death benefit, and up to \$7,500 accidental dismemberment benefit, for an annual premium of \$2.

In addition to introducing two guides to the administration of trusted group plans, hourly contribution, and fixed contribution, Occidental will now write its major medical programs on a non-scheduled basis along with existing forms.

G. K. Cavanaugh Gets Additional Duties

George K. Cavanaugh, vice-president and treasurer of Jefferson Standard Life, has been placed in charge of the investment department.

Mr. Cavanaugh, who has been in charge of the securities department, now will direct the mortgage loan, financial and real estate departments. The new areas under his control were directed by vice-president J. H. Barrer, who retired June 30.

Mr. Cavanaugh joined the mortgage loan department in 1928 and was named manager in 1946 on his return from military service. He was placed in charge of the securities department in 1947 and appointed vice-president and treasurer in 1951. He is on the company's finance committee.

Chicago CLU's Choose Owens as President

Chicago CLU chapter has elected Llewellyn G. Owens of Equitable Society as president to succeed Oliver R. Aspren of Ohio National.

Other officers are: Vice-President, Earl S. Rappaport, Pacific Mutual; treasurer, Robert J. Murphy, Prudential; secretary, Walter G. Wegner, New England Mutual.

Guardian Employees' Major Medical

Guardian Life has instituted a group major medical expense plan for all company employees in the home office and field, including full-time agents.

It provides benefits up to \$7,500 for

each accident or illness and a deductible varying from \$250 to \$1,000, depending on income. Hospital expenses paid by Blue Cross, provided by the company, are credited toward the deductible. The plan is contributory, with premiums graded by age and family status. Evidence of insurability is not required. Employees under 65, with at least six months' service, may participate and continue after retirement.

E. C. Bergmann to Iowa for National of Vt.

National Life of Vermont has appointed Elmer C. Bergmann midwest director of agencies at Mount Vernon, Ia., effective Aug. 1.

Mr. Bergmann entered the business in 1925 with Equitable Society at Davenport, Ia. He joined National Life of Vermont at Cedar Rapids in 1929 and four years later was appointed agency auditor

in the home office. For 16 years he has been with Northwestern Mutual Life at Cedar Rapids, first as cashier and later as assistant to general agent Lowell P. Schwinger. He is past president of Cedar Rapids Assn. of Life Underwriters and is a CLU.

Armstrong, Rand Named to John Hancock Posts; C. N. Brenneke Promoted

John Hancock has appointed Donald W. Armstrong director of the farm mortgage department. Ellis C. Rand, assistant treasurer, has assumed the added responsibility of assistant director.

Mr. Armstrong joined the company in 1934 as a field man and appraiser at Spokane. He was named field supervisor in the farm mortgage department at the home office in 1947, and was advanced to assistant manager in 1952.

Mr. Rand joined the tellers' division in 1918 and was manager for four years before being named assistant manager of the farm mortgage division, later advancing to manager. He has been assistant treasurer since 1948.

The company named Charles N. Brenneke supervisor of field training in the district agency department. He has been regional supervisor of northern New England.

Mr. Brenneke joined the company at Austin, Tex., in 1948, later advancing to assistant district manager. He was named to the New England post upon his return to the company after the Korean war.

Continental American Appoints Fensterwald

Continental American Life has appointed Ralph Fensterwald general agent in New York City to succeed the late Jules Anzel. He will be located at the present office, 60 E. 42nd street.

Mr. Fensterwald is a graduate of Wharton school and is a CLU. He has been with Berkshire Life for the last three years, most recently as supervisor of the Rentner agency in New York City.

LIAMA Alumni to Meet

Atlantic Alumni Assn. of LIAMA schools in agency management will hold its annual conference Oct. 20-21 in Rye, N.Y. The theme will be "Supervising for Success."

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Name Committee Chiefs for H&A Conference

New chairmen of H&A Underwriters Conference committees, named by President Frank S. Vanderbrouk, Monarch Life, are:

Planning and finance, George H. Hipp, Employers Mutual Liability; agency advisory, Rex H. Anderson, New York Life; blanks, Charles Sanders, Paul Revere Life; business practices, John M. Powell, Loyal Pro-

tective Life; claims relations, L. L. Phelps, North American Life of Chicago; convention, C. E. Lee, Columbian National Life; disability insurance coordinating, R. L. Paddock, Time; group, Fred W. Clark, Lincoln National Life; hospital and medical insurance, T. T. McClintock, American United Life.

Also, legal, John A. Henry, Continental Assurance; medical directors, Dr. E. B. Williams, Wisconsin National Life; membership, C. M. Barry, Ohio State Life; memorials, Paul Clement, Minnesota Commercial Men's; non-cancellable, Walter I. Wells, State Mutual Life; public relations, J. W. Scherr Jr., Inter-Ocean; statistical, C. N. Walker, Lincoln National Life; underwriting, E. B. Forsythe, Illinois Mutual Casualty.

group life policy was issued in 1919, first such contract written by a Canadian company.

Nashville Trust Council Elects

C. D. Rippey, trust officer of Commerce Union Bank, has been elected president of Nashville Life Insurance

& Trust Council, succeeding Paul Simpson, Metropolitan Life.

Walter M. Robinson Jr., assistant general counsel of National Life & Accident, was elected vice-president. Lane Abernathy, trust officer of First American National Bank, was chosen secretary.



Quality

in Pacific Mutual's
CAREER BUILDING
OPPORTUNITIES

inspired William Richard Balkin's long-range activity planning which has matured in his Million Dollar Round Table membership, his 12-year top rank standing in the Pacific Mutual Big Tree Leaders Club, and in the recognition he enjoys as one of Chicago's distinguished community service leaders.

Quality is the dominant objective in all Pacific Mutual field procedures.

Pacific Mutual

LIFE INSURANCE COMPANY

HOME OFFICE: LOS ANGELES, CALIF.



LIFE Since 1868 • ACCIDENT Since 1885
SICKNESS Since 1904 • RETIREMENT PLANS Since 1919
GROUP INSURANCE Since 1941

Travelers Names Smith Agency Research Chief

James D. Smith, assistant superintendent of the training, sales research and promotion division of the life and A&H agency department of Travelers, has been appointed to the newly created position of manager of agency research for all agency departments.

Mr. Smith will expand his activities to include casualty, fidelity and surety, fire and marine, as well as life and A&H.

He joined Travelers at St. Louis as a field assistant in 1929 and was promoted to assistant manager of life and A&H in 1936. He was named manager at New Orleans and opened Travelers office there in 1943. He went to the home office in 1951.



James D. Smith

\$2 Billion Mark Passed by Manufacturers Life

Manufacturers Life's total insurance in force passed the \$2 billion mark in June, having doubled since 1947.

The company, incorporated in Canada in 1887, has 105 offices in 30 countries and, with assets of \$600 million, is second largest Canadian company.

Manufacturers Life entered the U. S. in 1903 and now has more than \$600 million in force in this country. The company is licensed in 15 states, D. C. and Hawaii. It has 20 offices in the U. S.

N. C. Department Is Checking A&H Insurer

Commissioner Gold of North Carolina has confirmed reports that examiners of his department are conducting an investigation of State Hospital Assn. of Tarboro, which for two years has been seeking to convert from a non-profit hospital service concern into a stock A&H company. He declined to comment further until examiners have reported.

Larry P. Eagles, president of the company, declined to comment on the reports, stating that any statements should come from the department. But, he added, "nothing is wrong so far as we are concerned. They are making an investigation which we hope will help us."

Sun Has \$2 Billion in Group Life

Sun Life of Canada has reached the \$2 billion mark of group life in force, covering 700,000 persons in Canada and the U.S. The company paid \$20 million in group life benefits last year. Its first



1955

FORREST G. SHERER
TERRE HAUTE
INDIANA

HALL OF Honor



FOUNDED IN 1857
IN DES MOINES

Annually, since 1931, the Equitable Life of Iowa has recognized, by its Hall of Honor award, pre-eminence among its field associates in matters of production, conservation, average size policy, and other major factors of effective career life underwriting. Once attained, the Hall of Honor award cannot again be won by the same field underwriter.

Forrest G. Sherer, Terre Haute, Indiana, a member of the Company's Indianapolis general agency since 1938, is the 1955 Hall of Honor agent. Notably effective as a career life underwriter, Mr. Sherer qualifies regularly for the Company's President's Club and is a member of the Million Dollar Round Table of 1955.

EQUITABLE LIFE INSURANCE COMPANY OF IOWA

GUARANTEE FUTURE PROTECTION

With life insurance, carefully planned for your individual family needs by the Praetorians . . . experienced in protective benefits for over 55 years.

SINCE 1898
THE PRAETORIANS
Life Insurance
DALLAS, TEXAS

FTC Can't Amend Complaint After A&H Hearing Starts

The hearing before Examiner Cox on the federal trade commission complaint against Postal Life & Casualty became involved in legal technicalities when Donald King, commission attorney, first sought, and then withdrew the proposal to amend the commission's complaint against the company. He attempted to get into the record policies other than those listed in the complaint.

Mr. Cox ruled that evidence must be limited to advertisements or policies referred to in the complaint, or amendments to it or substitutes for it. He said he saw no reason why the additional policies should not have been named when the complaint was drawn.

Representing the company were O. R. Jackson, president, Kenneth Teasdale, counsel, and Alvis A. Layne, Washington attorney. Mr. Jackson, testified to duties of company officers, and the manner in which the company sells policies—some by mail some

through agents—and the manner in which commissions are paid.

Mr. Teasdale declared that Mr. King's proposal to change the complaint was "very unfair" and objected to the FTC obtaining information in the hearing about the company defense and then introducing into the case issues which the company was not prepared to defend.

Okla. Insurance Taxes Are at Record Level

Total insurance premium taxes and fees already collected by the Oklahoma department this year, amount to \$7,270,230, an increase of more than \$835,503 as compared with any previous year, with the remainder of this year to go. Insurance is now Oklahoma's third largest industry.

Cheek Eyes N. C. Governorship

Waldo C. Cheek, president of Independence Life of Charlotte and North Carolina insurance commissioner from 1949 to 1953, has indicated he may be a candidate for governor next May. Although he did not say whether he would run, he indicated he would not turn down the opportunity if a "sizable portion" of the public should support him.

Home Life to Issue Standard Coverage to Civilian Air Risks

Home Life has authorized an underwriting liberalization that will permit issuance of standard insurance for civilian aviation risks who formerly would have been charged an extra annual premium of \$2.50 per \$1,000 and who otherwise qualify as preferred risks.

Pilots and crew members of commercial airlines and company or privately owned airplanes are affected by the change. The same reduction in the extra annual premium also will apply to civilian pilots and crew members, provided the former rating for the aviation hazard did not exceed an extra annual \$5 per \$1,000 and also provided that they, too, otherwise qualify as preferred risks.

Briggs Heads Western Managers of Mutual Benefit and United Benefit

F. T. Briggs, general agent at Pocatello, Idaho, for Mutual Benefit H.A. and United Benefit Life, was elected president of the companies' western managers association at its annual meeting in Santa Barbara, Cal.

Other officers elected were Kenneth W. Moore Jr., Roswell, N. M., 1st vice-president; E. J. Coffey, Portland, Ore., 2nd vice-president, and Vincent Anderson, Great Falls, Mont., treasurer.

Retiring president D. L. Acrea of Reno and Mr. Coffey were awarded 30-year rings by presidents of the companies.

V. J. Skutt, president of Mutual, predicted the company premium income would reach \$155 million in 1955.

N. Murray Longworth, president of United, reported the company's insurance in force has passed the \$1.6 billion mark, putting it in the top 6% in national rankings.

Lincoln National Names 2 Regional Group Managers

Lincoln National Life has named Rudy F. Roof regional group manager for Texas and Louisiana and James M. Stanley regional group manager for western Missouri, Kansas, Oklahoma and Arkansas.

Mr. Roof, whose experience includes group field work will head the southwestern group office at Houston.

Mr. Stanley will head the Kansas City office. Prior to joining Lincoln, he was with a general agency in St. Joseph, Mo.

Howell at Agency Forum

New Jersey Banking and Insurance Commissioner Howell, a former agent of Massachusetts Mutual Life, presided at the opening day of the annual brokers forum sponsored by the Miller agency of Massachusetts Mutual Life and Fidelity-Philadelphia Trust Co.

Highlight of the two-day meeting was a discussion of tax problems and new methods of combining bank services with insurance sales plans. Speakers included: Jack Dwight, supervisor of the Miller agency; William H. G. Warner, assistant secretary of the bank; Graham French, tax attorney and business consultant; John G. Parsons, assistant vice-president of the bank; and Gordon S. Miller, the general agent.

Allow Brief in Travelers TV Case

Commissioner Robert E. Lee of federal communications commission has granted Hartford Telecasting Co. permission to file a 65-page brief. The company has appealed from FCC examiner Litvin's decision in favor of the application by Travelers for a license to operate a television broadcasting station in the Hartford area.

Advertising Essential for Successful Sales Results, Says Reeves

It takes advertising and personal selling, together, to reach, pre-condition and sell today's vast life and A&S markets, according to Clifford B. Reeves, vice-president for public relations of Mutual of New York.

Neither advertising nor selling, alone, can do the job because extensive advertising with consumer appeal is essential to a sales operation designed to reach, educate and sell the great new market, Mr. Reeves said. He spoke at a series of regional meetings of the company's top-ranking agents.

Mutual's greatest competition comes not from other life companies but from other industries, which have made their products seem highly attractive through extensive advertising and other mass merchandising methods,

Mr. Reeves said. To meet this competition, life companies in recent years have added glamor and consumer appeal to their products and increased their advertising appropriations to publicize the merits of insurance. As a result, personal insurance is becoming something that more people want and take pride in owning. The entire life business has been selling 20 or 25% more than before, with some companies gaining 40 to 50%, he said.

Mutual uses detailed descriptions of contract terms in its advertising only when a new policy is presented. This approach is not continued indefinitely because the public turns away from technical discussions once the novelty has worn off, he explained. While it is good to emphasize price reductions occasionally, it does not provide a sound basis for continued advertising because people tire of continuous price appeal and come to disbelieve it.

Mr. Reeves said the company's philosophy is to keep the advertising program flexible so that it can capitalize on advertising because that approach has been successful in building public recognition and preference for the company, its products and agents.

New Life Company to Be Organized in Missouri

William R. Thurston, retired chemical industries executive of Joplin, Mo., will become chairman of a new life company being organized in Missouri, to be known as Financial Reserve Life Assurance Co.

The company expects to open temporary offices at 410 Joplin Street, Joplin, in September and establish general home offices in the Thurston building at 102 Wall Avenue on July 1, 1956.

O. M. Walsted has been named president of the company, R. N. Foglesong, secretary-treasurer, and Miss Lillian Rose, assistant secretary. All of the officers had been associated with Mr. Thurston in the Thurston Chemical Co.

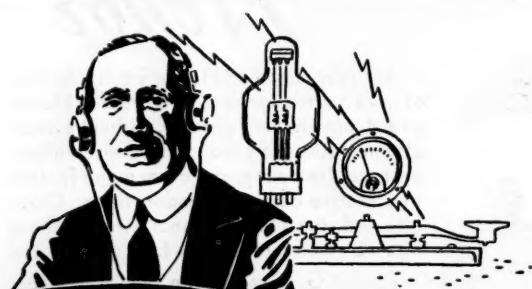
Nelson & Warren, actuarial consultants at St. Louis, will be retained.

The company, with a capital and surplus of \$500,000, will incorporate in Missouri and seek charters in Kansas, Oklahoma, Arkansas and eventually in other states.

Grof Retires From John Hancock.

William F. Grof, manager of the Lynn, Mass., district office of John Hancock since 1944, has retired after 37 years with the company.

James F. Penner, manager of the Portland, Me., district office, succeeded Mr. Grof. New manager at Portland is Walter W. Parmalee, who has been regional supervisor of northern New England.



PACE SETTERS

in the American Pattern of **PLANNED ACTION***

***GUGLIELMO MARCONI** revolutionized the world of communication by his invention of the wireless. His success stemmed from following a course of PLANNED ACTION.

You can move forward into a profitable lifetime career if you take "PLANNED ACTION" today and write National Reserve Life—the company Strong as the Strongest—Enduring as Rushmore!

If you are ready for General Agent responsibility, National Reserve Life offers you unlimited opportunity from the Territory of Hawaii . . . from California to Florida—where our one hundred and seventy million dollar company is now engaged in a vigorous expansion program. Of course, your inquiry will be considered strictly confidential. Write today and let us give you complete details on the money-making opportunities that National Reserve Life offers you!

H. O. Chapman, Pres., S. H. Witmer, Chm. of the Board



July 8, 1955

NEWS OF LIFE ASSOCIATIONS

Governor Addresses First New Mexico Sales Congress

Speaking before the first annual sales congress of New Mexico Assn. of Life Underwriters, held at Albuquerque, Gov. John Simms of New Mexico praised insurance companies and agents for being on the whole highly ethical and almost completely self-policed. He said it is up to the industry itself to achieve permanence and soundness through self-policing. He stressed this means being creative and aggressive. Should the industry become lax, it invites federal control, he said.

Jeff Fraley, Equitable Society, Albuquerque, was elected president. Named as vice-presidents were R. E. Smith, Connecticut Mutual, Carlisle; E. J. Gorman, Bankers of Iowa, Albuquerque and M. J. Hoban, Business Men's Assurance, Santa Fe. H. B. Bradbury, New York Life, Albuquerque, was reelected secretary.

Other sales congress speakers were Herbert Elston, vice-president Minnesota Mutual Life; D. D. Phelps, assistant vice-president Mountain States Telephone & Telegraph Co., Denver; V. V. Van Leuven, field vice-president New York Life; William H. Huber, associate professor University of New Mexico, and J. L. Threadgill, vice-president First National Bank, Albuquerque.

Salt Lake Agents Honor J. V. Smith

Salt Lake Assn. of Life Underwriters at its 50th anniversary meeting presented a plaque of appreciation to Joseph V. Smith, only surviving member of the founding group which was at that time known as the Utah association.

Dr. Adam S. Bennion, Utah educator



THE
ALL-AMERICAN
CONTRACT

FEATURES . . .

- Top Commissions
- Life-Time Renewals
- Production Bonuses
- Persistency Bonuses
- Retirement Renewals
- Group Life and Hospitalization Insurance

PLUS . . .

- Prize-Winning Sales Aids
- Agents Training Schools
- Production Club Conventions
- Regional Sales Meetings

Write for your copy of "Career Opportunities" to H. S. McConachie, Vice President

AMERICAN MUTUAL LIFE
INSURANCE COMPANY
DES MOINES 7, IOWA

A General Agency Company

and elder of the Mormon Church, praised insurance as a "service profession which requires a man who is willing to work long hours and take infinite pains."

Officers in charge of the anniversary program were Clifton I. Johnson, president; Howard R. Atkin, 1st vice-president; Manuel H. Chavez, 2nd vice-president, and Elmo Martin, secretary-treasurer.

Scholarships Offered

Rhode Island Hospital Trust Co. will provide full tuition scholarships to two members of Rhode Island Assn. of Life Underwriters for four years' training in CLU courses. The association will continue its \$100 grant to a student of insurance at University of Rhode Island.

New association officers are Charles W. Paige, president; J. Harold Hartle, vice-president; Leonard H. Smith, 2nd vice-president; and Miss Barbara Car-gill, secretary.

Elect Neveux at Richmond

Albert L. Neveux Jr., general agent of Fidelity Mutual Life, has been elected president of Richmond Assn. of Life Underwriters.

Others elected were: Nathan Metzger, state manager of Union Mutual Life, 1st vice-president; Henry G. Willis, Home Beneficial Life, 2nd vice-president; and John Pasco Jr., Equitable Society, secretary. Lawrence C. Reeves, manager of Home Life, Emerson Whiteside, New England Mutual Life, and John E. Davis, Metropolitan Life, were elected to the board.

Choose New Officers in Memphis

Memphis Assn. of Life Underwriters has elected Ewing Carruthers, Massachusetts Mutual Life, president; J. M. Breytspraak, Aetna Life, 1st vice-president; A. H. Stanley, National Life & Accident, 2nd vice-president; C. L. McComus, Guardian Life, secretary; E. E. Higgins, American Hospital & Life, treasurer; Ferd M. Lybarger, Liberty National Life, James K. Pace, Lincoln National Life, Paul G. Poindexter, Interstate Life & Accident, Hollis W. Rogers, State Mutual Life, and Harold Steinkamp, Fidelity Mutual Life, directors.

Winston-Salem Assn. Elects

Winston-Salem Assn. of Life Underwriters has elected S. H. Morrow, Jefferson Standard Life, president, succeeding S. W. Brizendine Jr., Home Beneficial Life.

Others elected were Richard Blackburn, Phoenix Mutual Life, and George Durham, Durham Life, vice-presidents; Anthony Payn, Pilot Life, secretary; and Albert Stuart Jr., Pilot Life, state committeeman.

Meadors Chattanooga President

Chattanooga Assn. of Life Underwriters has elected Howard Meadors, Home Beneficial Life, president; Seth Sizer, National Life of Vermont, 1st vice-president; Pat Farmer, Volunteer State Life, 2nd vice-president; Joseph Hall, Volunteer State Life, secretary; George Harris and Peter Williams, directors.

Miami Assn. Elects Woman

Miami Assn. of Life Underwriters has elected Mrs. Thelma Cureton, district manager of Independent Life & Accident, president. She is the first woman elected head of the Miami association. Vernon L. Phillips and Harold Cheek were elected vice-presidents and W. W. Edwards is secretary.

Wolfe Heads Wis. Leaders

Wisconsin Life Insurance Leaders Round Table at its annual meeting in Milwaukee elected Leonard S. Wolfe,

Acacia Mutual, Milwaukee, chairman to succeed Paul A. Schuette, Jr., Northwestern Mutual, Manitowoc. Arthur H. Neuhaus, Bankers Life of Iowa, Milwaukee, is vice-chairman, and Richard McGuire, Massachusetts Mutual, Racine, was named to the executive committee. Speakers were Sherburn Driessen, trust officer of Marshall & Ilsley Bank, and Thomas Schuessler, attorney, also of Milwaukee.

Battle Creek—James H. Slemers was elected president of the association to succeed Frank Marshall. Other new officers are: Vice-president, Robert S. Fleming; secretary, Kenneth Miller; treasurer, John Shaw. Duane Brigstock talked on the area development program of Battle Creek civic leaders, and national quality awards were presented to 13 members.

Toledo—A. J. Kusner, Equitable Society, has been elected president; Walter J. Johnson, 1st vice-president; Donald W. Warner, 2nd vice-president, and Frank J. Drilk and William L. McVicker, trustees.

Lafayette, Ind.—Marvin L. Smith, Massachusetts Mutual Life, has been elected president; Stanley K. Galey, vice-president; James Brogan, secretary-treasurer; Wayne Byrd, state committeeman, and Robert Brady, national committeeman.

Galesburg, Ill.—Gordon K. Hendrick of John Hancock was named as president to succeed Robert Lewis of Prudential. Clifford Ostrom, Northwestern National, was elected vice-president, and Edward L. Kennedy, Guarantee Mu-

tual Life, secretary-treasurer. Mrs. Florence McConnell of John Hancock, chairman of Women's Quarter Million Dollar Round Table, spoke on National and state association work as related to the local association and presented national quality awards to six members.

Ann Arbor, Mich.—Washtenaw County association has elected Charles D. Smith, president; Stewart Peet, 2nd vice-president; F. W. Aufderheide, secretary-treasurer, and Richard P. Miller, Jennings Campbell, George F. Lemble and Robert DeVeet, directors.

Yakima, Wash.—A. J. Muller has been elected president of the Yakima Valley association to succeed M. L. Gerhardt. Other officers are: James A. MacDonald, vice-president; Wilson Wierman, secretary-treasurer, and E. S. Lindberg, Reuben Nelson, David O. Dance, A. B. Coppers, E. J. McCormick, Mr. Wierman and Mr. Gerhardt, directors.

Dayton, O.—New officers elected at the annual meeting were: Herschel R. Lammie, United Benefit Life, president; Clare G. Sharkey Jr., John Hancock, 1st vice-president; Herbert E. Whalen, Jr., Northwestern Mutual Life, 2nd vice-president, and Walter H. Grundy, Connecticut Mutual Life, secretary-treasurer.

Green Bay, Wis.—The role of the agent in aiding Americans to obtain family security was lauded by Atty. Nelson E. Smith at a meeting of the Northeastern Wisconsin association. Nineteen members received national quality awards from County Judge John Kehoe who commented on the importance of quality of service to the insurance buying public.

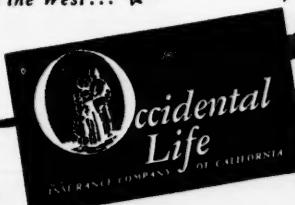
SEXAGENARIANS, ANYONE?

COMPETITIVELY SPEAKING, (and who isn't these days?) Occidental's new Term-to-65, with its guaranteed non-par premium, is today's best buy, we think, for the man whose main concern as he sees it now is protection during his working years.

And tomorrow, when he's a Hale and hearty sexagenarian, he needn't watch that old "policy anniversary nearest age 65" approach with mixed feelings of joy that he's still living and regret that his protection's dying . . . our Term-to-65 converts clear up to policy anniversary nearest age 65.

Result? A new lease on life insurance for him...and a new 1st year commission for our agent or broker.

"A Star in the West..."*



HOME OFFICE • Los Angeles
W. B. STANNARD, Vice President

"WE PAY AGENTS LIFETIME RENEWALS...THEY LAST AS LONG AS YOU DO!"

EDITORIAL COMMENT

Worthy Successor to 'Stardust'

For some years life insurance people have come to look to the talented director of insurance services and planning of Northwestern Mutual Life for dramatic presentations that combine professional skill with a real understanding of the insurance business and insurance men. And from the audience's reaction at the premiere showing during the Million Dollar Round Table meeting last week it seems clear that Laflin C. Jones, widely known in the life insurance business as the creator of "Stardust," "The Ordeal of Richard Roe," and last year's MDRT dramatized case study, has done it again with his newest production, *Is This Your Life?* It promises to be exceptionally widely circulated, because only one "live" actor is required—the narrator. The rest is a succession of excellently done color slides to illustrate the recorded dialogue of the principals.

The face of the hero, Bill Underwood, never appears on the screen, although he shares in most of the dialogue. Thus it is made easy for the spectator to identify himself unconsciously with Underwood. Bill's career is typical, yet sufficiently individual to seem real. The presentation takes him through his introduction to the business, including some amusing scenes with the office cynic, who knows exactly what is wrong with the general agent; also with Bill's distracted wife, who could live like a queen on the commissions Bill earns but can't put in the bank because they are deferreds.

There is the time Bill insured the father of a happy family—and less than 12 hours later the man was dead—also the time when Bill failed to motivate a man who badly needed insurance. The widow wasn't accusing Bill but as the narrator said, "it is doubtful whether any experience in his whole business life shook Bill as unmercifully as this one did." He found that he shared with other agents the feeling that "since the agent who is admitted to the inner sanctum of a man's personal affairs may be the last qualified person to gain entrance—ever—he has a tremendous responsibility for the decisions that are made when he is there... The conviction, finally cemented into him by this experience, that he was there on behalf of the prospect's family, gave him immeasurable added strength."

The final scene is a view of a moonlit ocean. Bill is alone with an older friend who seems to have achieved success as a person as well as a life

insurance man. Bill, too, has succeeded as an agent but is a little dubious about the more intangible aspects of life. How his more mature friend leads Bill from reliance on "the warped and rusty rudders of old habits" to the assumption of a mature responsibility for deciding on his own goals and how to achieve them is the climax of the story.

Mr. Jones' combination of the talents and background needed to write and direct such productions as he has given the life insurance world is so rare as to be, so far as we know, unique. The life insurance business owes much to him—and to his company for its willingness, despite the expense involved in the whole matter, to share him and his creations with the rest of the life insurance business.

PERSONALS

Alfred VandeZande, newly appointed Wisconsin insurance commissioner, has decided not to accept the post for several weeks for health reasons. He was appointed two weeks ago after many years in the Wisconsin legislature to succeed John R. Lange.

H. W. Durham, president of Cosmopolitan Life, has established a \$1 million foundation for construction and maintenance of a model home for elderly people in Memphis.

Norman Wade, director of the personal insurance division of the Michigan department, underwent throat surgery at University hospital, Ann Arbor, during the past week.

William H. Haggerty, Occidental Life of California manager at Washington, D. C., has been elected president of United Community Services there.

Louie E. Throgmorton, vice-president and director of public relations for Republic National Life, made 156 speeches in all parts of the country during the first six months of 1955.

Life Men Attend 5-Day SMU Institute in N. C.

Agents, supervisors, managers and home office personnel from 16 companies in Virginia, North and South Carolina attended the annual five-day seminar conducted by Southern Methodist University Institute of Insurance Marketing at University of North Carolina campus, Chapel Hill.

Edward H. Hicklin, vice-president of North Carolina Assn. of Life Underwriters, Burlington, was chairman. **A. R. Jaqua**, director of the Southern

Methodist University course headed the faculty which included E. C. Gaines and C. R. Darling, also of the faculty. The state association and University of North Carolina extension division sponsored the program.

There was a 5-day course on formula programming and a 3-day study of business insurance, federal estate gift and income taxes. Certificates were awarded to those who successfully completed the studies.

Travelers Names 3 Assistant Secretaries, One Superintendent

Travelers has appointed George F. Miller of the home office administration department, William K. McDavid and Emerson E. White of the claim department, assistant secretaries and James P. Hurst superintendent of the new data processing department.

Mr. Miller is in charge of the data processing department. He has been assistant superintendent of the tabulating department since 1948 and has been on the electronics research committee of the company since its inception. He joined the company in 1928.

Mr. McDavid, who has been an examiner in the life, accident and group claim department, has been named assistant secretary of all claim departments. He will be associated with Secretary J. C. Roberts, devoting full time to personnel matters. He joined the company at Chicago as an adjuster in 1935 and four years later went to the home office.

Mr. White, chief supervisor of the life, accident and group claim department, has been named assistant secretary of that department. He went with the company in 1929 in the life actuarial department.

Mr. Hurst joined the company in 1951 in the tabulating department and has been associated with electronic data processing work since 1953.

National Life of Canada Names Lawson President

National Life of Canada has elected Harold R. Lawson president to succeed the late Robert Fennell. John A. Rhind was elected vice-president and treasurer.

Mr. Lawson was with Crown Life from 1926-1944, Massachusetts Protective and Paul Revere Life from 1945 to 1952 when he joined National.

Chicago Managers Elect A. J. Zern President

Chicago Life Agency Managers elected Albert J. Zern of Northwestern National as president to succeed Henry C. Hunkem of Connecticut Mutual.

Other officers are: Vice-president, Wilson Turner, New York Life; secretary-treasurer, Alfred C. Thoma, Metropolitan Life.

Home Life Cites Long Service Men

Mark E. Hayes, manager of accounts since 1942, and Guy W. Pickering, actuary since 1950, have observed their 30th and 20th anniversaries, respectively, with Home Life. President William P. Worthington presented them service emblems in ceremonies noting the occasion.

CHICAGO EDITORIAL OFFICE:
175 W. Jackson Blvd., Chicago 4, Ill.
Telephone Wabash 2-2704.
Associate Editors: John C. Burridge, Charles C. Clarke and William H. Faltysek.
Assistant Editor: Edmund J. Brophy.
Editorial Assistant: Lorraine Ulrich.

CINCINNATI 2, OHIO

—420 E. Fourth Street,
Tel. Parkway 2140. Chas. P. Woods, Sales
Director; George C. Roeding, Associate Manager; George E. Wohlgemuth, News Editor; Roy Rosenquist, Statistician.

DALLAS 1, TEXAS

—708 Employers Insurance
Bldg., Tel. Prospect 1127. Alfred E. Cadis, Southwestern Manager.

DETROIT 26, MICH.

—502 Lafayette Bldg., Tel. Woodward 1-2344. A. J. Edwards, Resident Manager.

ATLANTA 3, GA.

—432 Hurt Bldg., Tel. Main 1634. Fred Baker, Southeastern Manager.

BOSTON 11, MASS.

—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.

CHICAGO 4, ILL.

—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. R. J. Wieghaus, Resident Manager.

ADVERTISING OFFICE:
175 W. Jackson Blvd., Chicago 4, Ill.
Telephone Wabash 2-2704.
Advertising Manager: Raymond J. O'Brien.
SUBSCRIPTION OFFICE:
420 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 2140.

KANSAS CITY 6, MO.

—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Gessing, Resident Manager.

MINNEAPOLIS 2, MINN.

—1038 Northwestern Bldg., Tel. Main 5417. Howard J. Meyer, Resident Manager.

NEW YORK 38, N. Y.

—99 John Street, Room 1103. Tel. Beekman 3-3058. Ralph E. Richman, Vice-Pres., J. T. Curtin, Resident Manager.

OMAHA 2, NEBR.

—610 Keeline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.

PHILADELPHIA 9, PA.

—123 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO 4, CAL.

—Flatiron Bldg., 54th Market St., Tel. Exbrook 2-3054. A. J. Wheeler, Pacific Coast Manager.

DEATHS

DR. J. W. KIRGAN, 80, who worked his way through the University of Cincinnati medical school selling life insurance and returned to the insurance business in 1906 after practicing medicine for two years, died on a Michigan fishing trip. He had been associate general agent of Fidelity Mutual at Cincinnati since 1935, was general agent for 29 years previously and was with that company during his entire career.

Dr. Kirgan was the earliest living past president of Cincinnati Life Underwriters Assn., serving in 1911. In his more active years he was greatly interested in improving the ethical standards of the business and served on committees for that purpose.

JOSEPH F. SHEEN, 57, general counsel and a director of Security Benefit Life of Kansas, died in Chicago of a heart condition. Sheen, a brother of TV's famed Bishop Fulton J. Sheen, was a member of the law firm of Fulton, Fulton & Sheen, Chicago, and specialized in insurance law.

CLAYTON D. HARBAUGH, 73, former district manager for Prudential at Lafayette, Ind., died from a heart attack, in Dayton, O. In 1906 he was the first agent at Port Huron, Mich., for Prudential and in 1927 was appointed district manager at Lafayette. In 1940 he was transferred to Lima, O., in a similar capacity. He retired in 1951 after 37 years with the company.

JAMES H. HAMILTON, agency assistant since 1950 in John Hancock's district agency department, died unexpectedly. He joined the company as a clerk in 1929 and later served as an approver and assistant bureau manager in the district agency department.

ALBERT WOLTER, 80, former state agent in Ohio and Indiana for Woodman Accident and for many years and agent for that company in the Albion, Mich., territory, died in a hospital at Albion after a long illness.

ROY PEARSON, 62, auditor for Kentucky Home Mutual Life since 1928, died at Norton Infirmary, Louisville.

Mutual of N. Y. Names Peterson at Los Angeles

Mutual of New York has appointed W. Lloyd Peterson manager of one of its three Los Angeles agencies, succeeding B. L. Rohlf, who has resigned.

Mr. Peterson, manager at Phoenix since 1953, joined the company at Salt Lake City in 1948 and was advanced to assistant manager in 1950.

Charlotte Agency Managers Elect

Charlotte Life Agency Managers Assn. has elected E. L. Horton, Prudential, president; Grady Kirby, Home, Security Life, vice-president and Harvey W. White, Equitable Society, secretary.



July 8, 1955

National Insurance Association To Hold Annual at Cleveland

The program for the annual convention of National Insurance Assn., to be held at Hotel Hollenden, Cleveland, Aug. 2-5, has been completed. Theme for the meeting will be "Gearing Our Operations to an Integrated Economy."

Featured speakers include C. F. Honeywell, administrator, business and defense services administration, Department of Commerce, Washington, D. C., who will address a luncheon meeting Aug. 3; C. H. Mahoney, U. S. delegate to the United Nations, who will address the past presidents' banquet on Aug. 4; J. M. Hinton, agency director Pilgrim H. & L., and G. W. Jones, agency director Victory Mutual Life, will address the agency section. C. J. Zimmerman, managing director LIAMA, and J. W. Goodloe, secretary North Carolina Mutual Life, complete the list of speakers.

Denies Charges of Coercion in Placing \$1 Million Policy

LITTLE ROCK—Charges of coercion and unfair practices, brought against Washington National by John H. Greene, a Little Rock Life agent, were denied at a hearing here before Commissioner Combs.

The charges were made in connection with a \$1 million life policy for Dr. George S. Benson, president of Harding College at Searcy. Mr. Greene's allegations, that Washington National had used coercion to get the insured to cancel three policies totaling \$1 million written in March of this year and to accept instead a \$1 million contract of Washington National, were denied by Kenneth Mullins, executive vice-president of Washington National and also by Dr. Benson. Commissioner Combs has taken the complaint under advisement and is expected to issue a ruling within a few weeks.

In his testimony, Mr. Greene stated that he arranged with Dr. Benson and the college's board for the \$1 million coverage, receiving signed applications and three checks issued by the college for premiums amounting to \$4,242.50, \$12,265, and \$9,653, payable respectively to Northwestern Mutual Life for a \$150,000 policy, Mutual of New York for a \$500,000 policy, and New York Life for a \$350,000 contract. Mr. Greene stated his commission was 30% of the total premium of \$26,160.50.

Shortly thereafter, Mr. Greene testified, he received a telegram from the chairman of the college board canceling the signed applications and asking for a refund of premiums. The wire stated the college had learned Washington National would write the insurance. At the time, Dr. Benson had not taken the required medical examinations for the policies.

Dr. Benson and Mr. Mullins testified that the decision to put the policy with Washington National resulted from a long standing friendship between the college and company. College directors wanted the insurance to be carried with Washington National, but they had been told by Mr. Greene the company did not write term insurance on persons over age of 55. It was said the company rate book does indicate such coverage will be written under certain circumstances. Dr. Benson, re-

portedly, is 56 and will be 57 in September.

Testimony also disclosed that in 1948 Washington National had insured Dr. Benson for \$1 million, the business written by Mr. Greene who then was the company's Little Rock agent. The policy at that time brought nationwide publicity to all parties but it was allowed to lapse after a year. Subsequently, Washington National and Mr. Greene severed their relationship.

Mr. Benson testified that "no inducements were offered to us from Washington National. It was just a matter of long time friendship." This friendship, he related, included annual contributions from officials of the company to Harding College.

Mr. Mullins said Washington National's Little Rock general agent had received a \$600 fee for the \$1 million, policy, that he personally had established this fee, and that it was an arbitrary figure.

N. C. to Set Rates for Credit A&H

Commissioner Gold of North Carolina will hold a public hearing July 27 to set rates for credit A&H written in connection with small loans. The legislature recently gave the commissioner authority to fix such rates.

Mr. Gold has advised companies that during the hearing they will have opportunity to show cause why present policies and rates should not be disapproved on the grounds that the benefits provided therein are unreasonable in relation to the premium.

Convention Dates

- Aug. 2-5. National Insurance Assn., annual, Hollenden hotel, Cleveland.
- Aug. 17-20. Federation of Insurance Counsel, annual, Sheraton Park hotel, Washington, D. C.
- Aug. 21. American Bar Assn., insurance law section, annual, Philadelphia.
- Aug. 22-26. National Assn. of Life Underwriters, annual, Jefferson hotel, St. Louis.
- Aug. 25-28. Texas Life Convention, annual, National hotel, Havana, Cuba.
- Sept. 5-7. International Federation of Commercial Travelers' Insurance Org., annual, Sun Valley Lodge, Sun Valley, Idaho.
- Sept. 14-16. Life Insurance Advertisers Assn., annual, Essex House, New York City.
- Sept. 26-28. Bureau of A&H Underwriters, annual, Mount Washington hotel, Bretton Woods, N. H.
- Sept. 26-28. National Fraternal Congress of America, annual, Royal York hotel, Toronto, Ontario.
- Sept. 26-28. Life Office Management Assn., annual, Edgewater Beach hotel, Chicago.
- Sept. 29-30. Michigan General Agents & Managers Conference, Michigan State college, East Lansing.
- Oct. 5-7. Society of Actuaries, annual, Sheraton-Mount Royal hotel, Montreal, Quebec.
- Oct. 6-7. Eastern General Agents & Managers Conference, Harrisburg, Pa.
- Oct. 11-14. American Life Convention, annual, Edgewater Beach hotel, Chicago.
- Oct. 19-21. Assn. of Life Ins. Medical Directors, Statler hotel, New York City.
- Oct. 20-21. Atlantic alumni of LIAMA schools, Rye, N. Y.
- Oct. 20-23. Mid-west General Agents & Managers Conference, French Lick, Ind.
- Oct. 26-28. Institute of Home Office Underwriters, Kentucky hotel, Louisville.
- Oct. 26-28. American Management Assn., Insurance Conference, Palmer House, Chicago.
- Oct. 27. Northern California General Agents Nov. 4-5. Southwest General Agents & Managers Conference, Dallas.
- Nov. 7-11. Life Insurance Agency Managers & Managers Conference, Berkeley. Assn., annual, Edgewater Beach hotel, Chicago.
- Nov. 19-20. Pennsylvania Assn. of Life Underwriters, George Washington hotel, Washington.
- Nov. 28-Dec. 2. National Assn. of Insurance Commissioners, midyear, Commodore hotel, New York City.
- Dec. 12-13. Assn. of Life Insurance Counsel, winter meeting, Waldorf-Astoria hotel, New York City.
- Dec. 14-15. Life Insurance Assn. of America, annual, Waldorf-Astoria hotel, New York City.

Franklin Declares 50% Stock Dividend, Has Big Half-Year

Directors of Franklin Life have declared a 50% stock dividend, payable Aug. 16 to holders of record Aug. 4. This expands capital by \$3,468,750 to \$10,406,450. In the past 11 years stock dividend distributions have increased the number of shares outstanding by 828%.

Franklin's premium income in the first six months totaled more than \$32 million, and a gain of nearly 15% is expected for the year, according to President Chas. E. Becker. During the first half assets gained almost \$20 million and the increase in outstanding insurance exceeded \$120 million. It is anticipated that 1955 new sales will approximate \$500 million, and that insurance in force at year-end will be nearly \$2 billion.

Stull to Ohio Federation as Executive Secretary

Donald W. Stull, veteran Ohio newspaper man and public relations counsel, has been appointed executive secretary of Insurance Federation of Ohio succeeding Homer Trantham, Columbus attorney and president of the board of

education. Mr. Trantham resigned after 25 years with the federation to devote more time to his law practice.

Mr. Stull has spent 20 years in the newspaper field in Ohio, working on papers at Coshocton, Akron and Columbus. He also was with the Associated Press in Ohio and for four years managed the Ohio office of Carl Byoir & Associates, New York public relations firm. For 1½ years he has been a director of Ohio mutual committee for insurance progress, an organization of mutual insurers.

J. W. Lawter New Assistant Commissioner in Oklahoma

OKLAHOMA CITY—Jack W. Lawter has been appointed assistant insurance commissioner of Oklahoma, to work with Commissioner Joe B. Hunt. This is a new position, created by the 1955 legislature.

Mr. Lawter has been a finance officer for the army, and before that served in a similar capacity with the navy. He is a law graduate of University of Oklahoma.

Western Life of St. Louis held an open house in its new 20,000 square foot office building at 77 Clayton Road in suburban Clayton.

Milwaukee Life Insurance & Trust Council heard a talk by Walter F. Freyburger, New York Life tax counsel.

"I NEVER GAVE IT MUCH THOUGHT"

You should, Mister Agent . . .

Our training, topnotch sales aids and individualized policies to meet individual needs are designed to make more money for you under

PAN-AMERICAN'S CAREER CONTRACT



PAN AMERICAN

LIFE INSURANCE CO



NEW ORLEANS, U.S.A.

CRAWFORD H. ELLIS
President

EDWARD G. SIMMONS
Executive Vice-President
KENNETH D. HAMER
Vice-President &
Agency Director

Pacific Mutual Makes Home Office, Regional Changes

Pacific Mutual Life has made several changes in its home and regional office staffs.

Harry Bubb and Ivan D. Pierce have been named assistant secretaries in the group department.

Mr. Bubb will head the group field service division. He joined the company in 1949 at Houston and was later named manager. For three years he has been regional group supervisor at Dallas in charge of offices at Dallas, Atlanta, Houston, Kansas City, New Orleans and St. Louis.

Mr. Pierce will head sales and field training activities of the company's retirement and profit sharing division. He also joined Pacific in 1949 as manager at Cleveland and was later named regional supervisor there in charge of offices at Cleveland, Chicago, Detroit, and Indianapolis.

John J. Posthauer has been named

regional group supervisor of the central division with headquarters at St. Louis. He had been manager at St. Louis since 1951.

Lloyd W. Harmon, was promoted to manager at St. Louis. He joined Pacific in 1949 at Seattle and was later promoted to assistant manager at St. Louis.

Thomas E. Tennant, eastern regional group supervisor with headquarters at Philadelphia will supervise offices at Cleveland and Detroit in addition to those in Newark, Philadelphia and Washington, D. C.

Has Agency Management Schools

LIAMA conducted concurrent 12-day agency management schools at University of Connecticut and Atlantic City. The Connecticut school, attended by 66 men, was for managers and home office executives of combination life companies. The Atlantic City school, attended by 90, was for ordinary managers and home office men.

WANT ADS

Rates—\$15 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

WANTED

Superintendent of Life Insurance Agents

New life insurance company now being formed with capital and surplus of \$500,000. Home office to be in Joplin, Mo. Excellent opportunity for good personal producer who has proven ability to recruit and train agents. Remuneration open. When replying give complete business and educational background, present annual income, age, marital status and other pertinent information. Replies will be held in strict confidence.

WILLIAM R. THURSTON
WILLIAM R. THURSTON & ASSOCIATES
BOX 198, JOPLIN, MO.

GENERAL LIFE AGENTS—

High Commission Contract

Available to men with good record and proven ability.

Strong Company—licensed in 26 states. Popular and attractive life and A & H policy contracts.

New territories open in several states. All inquiries treated confidentially.

... write, giving complete information to Box F-59, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

GROUP FIELD MEN WANTED

A leading life insurance company domiciled in the South, which is outstanding in the group field, plans to expand its group activities. Expansion program offers outstanding opportunities in Louisiana, Mississippi, Florida, Georgia, North Carolina, and other Southeastern states, for experienced field men. To be considered, applicants must have good record in group selling and possess supervisory ability and be free to travel limited territory. Reply in confidence, giving personal data and your complete business history, to Box F-93, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

BROKERAGE SOLICITOR NEEDED

by outstanding state life agency in Newark, N. J. Salary and Generous Bonus. Writing substandard 500% Liberal Commissions to Brokers.

Reply in confidence to—Advertising Department, Box NY-35, The National Underwriter Co., 99 John Street, New York 38, New York.

CALIF. GENERAL AGENCY WANTED

Life member M. D. R. T. with Gen. Agency experience would like General Agency for medium size company in Calif. Present age past 50, good health. Prefer northern California. Address F-80, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

E. J. Marshall to Head Columbus Accountants

Columbus Insurance Accounting & Statistical Assn. at its annual meeting changed its name to Central Ohio Insurance Accounting & Statistical Assn.

The following officers and board members were chosen: President, E. J. Marshall, Beacon Mutual Indemnity; vice-president, O. J. Miller, Columbus Mutual Life; secretary, H. G. Fogg, Midland Mutual Life; treasurer, David Ullman, State Automobile Mutual; board members, G. E. King, Ohio Hardware Mutual and J. J. Dersom Jr., Buckeye Union Fire.

Des Moines A&H Agents Elect

Byron Hart, Pacific Mutual Life, has been elected president of Des Moines Assn. of A & H Underwriters. He succeeds A. B. Coonce, Washington National.

Robert Allen, Connecticut General, is vice-president and Frank Gibson, Des Moines Casualty, secretary.

Straub Resigns as N. Y. Deputy Superintendent

Adelbert G. Straub Jr. has resigned as deputy superintendent of insurance in New York. He will announce his future plans after a vacation. He has been with the department since 1951, and previously was a lawyer specializing in insurance and admiralty law. While with the department he supervised the life, fire and marine, administration, policy and liquidation bureaus. He also directed the investigation of union and employer welfare funds.

He reorganized the department along multiple lines. He established the training program for examiners and supervised the publication of the 7-volume study of examination of insurance companies.

Ogden Johnson Named 2nd V-P of Equitable

Equitable Society has promoted Ogden Johnson to 2nd vice-president. Mr. Johnson joined Equitable in 1932 as a mortgage loan inspector at San Francisco.

After a series of promotions, he was appointed loan supervisor at Los Angeles for southern California and Arizona in 1940. He was moved to the home office and named manager of the commercial housing division of the city mortgage department two years ago.

Prudential Names Dick Manager at Worcester

Prudential has appointed Frederick E. Dick manager at Worcester, Mass.

Mr. Dick, who joined the company in 1941, served in sales and supervisory capacities at Boston and Portland, Me., before going to the home office in 1953 as a training consultant. He later was promoted to brokerage supervisor and then assistant director of field training, specializing in group.

Vossmeyer Equitable Leader

The Louisville agency of Equitable Society under Manager E. A. Vossmeyer, led all agencies in percentage of quota during President's month in April. The agency produced 357.9% of its quota. Also, the agency led the southern division in ordinary volume with a production of nearly \$11 million and in number of cases written.

Charter Home Owners Life in Fla.

A charter has been issued to Home Owners Life, Tallahassee, Fla. The company will write ordinary, group, credit life and mortgage redemption policies and, later, industrial. All 100,000 shares of authorized stock have been subscribed.

President is Charles Perkins, president of Industrial Savings Bank of Ft. Lauderdale. Other officers are Robert Anders, vice-president, R. R. Saunders, secretary, Dr. B. A. Dobbins, medical director, and John D. Steel, general manager. There are 25 board members.

Report Service Adds Medical Form

Retail Credit Co. has developed a special report blank for applicants for major medical expense coverage.

In connection with the report inspectors are being instructed to emphasize health, past and present finances and occupation. On family coverage, number of children in the family and their ages, health of individual members, total family income, and wife's occupation, if employed, are to be covered. The reports will cover a minimum of one year, but most of them will cover a much longer period.



Ogden Johnson

BRANCH LIFE MANAGERS

for

BEAUMONT

FREEPORT — ANGELTON

and VICTORIA, TEXAS areas

Salary and Commissions plus Office Allowance and Secretarial help.

Liberal Agents Financing Plan.

Our own men know of this ad so write in confidence, giving all details in first letter to Box F-95, The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Illinois.

ACTUARIAL OPPORTUNITY

Excellent opportunity for Actuary who has passed one or more parts of the examinations. This position will not limit your responsibilities and will offer splendid opportunities.

Send replies with outline of experience and personal information to—

ELMO WALKER, PRESIDENT
UNION LIFE INSURANCE COMPANY
LITTLE ROCK, ARKANSAS

BROKERAGE MANAGER

Large West Coast Agency for Pacific Mutual Life Insurance Co. in Los Angeles needs capable man to develop new brokerage department. Send details to W. W. Stewart, Gen. Agt., Pacific Mutual Life, 510 W. Sixth St., Los Angeles, Calif.

WANTED

REGIONAL GROUP MANAGER for New York Company. Territory . . . Atlantic and New England States. Must be thoroughly experienced in Group Sales and Service. Salary commensurate with experience plus production incentive. Please reply to F-94, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

July 8, 1955

Liss Cites Teamwork by Agents and Banks

Life agents and trust companies, working together, have brought more business to each other and have aided insured, Leonard E. Liss, president of Philadelphia chapter of CLU, told a meeting of life agents and bank officers sponsored by Philadelphia National Bank.

Mr. Liss was moderator of a forum which included Jerome J. Pennock, Penn Mutual Life, president of Philadelphia Assn. of Life Underwriters; Aaron C. F. Finkbiner, general agent of Northwestern Mutual Life; J. Robert Wilhelm, Connecticut Mutual Life; and Thomas C. Hughes, trust officer of Philadelphia National Bank. Panelists cited advantages of CLU training.

Aetna Life Group Has Paid \$5 Billion Claims

Aetna Life, Aetna Casualty, Automobile and Standard have crossed the \$5 billion mark in total claims paid to or for their policyholders.

The first claim was paid more than a century ago by Aetna Life on an Ohio merchant who died of yellow fever on the Isthmus of Panama enroute to California. The four companies now pay out more than \$1.5 million in claims daily, a total of \$391 million in 1954.

Lutheran Mutual Agents Hold Annual at Detroit

Lutheran Mutual Life, Waverly, Iowa held its annual agents convention at Detroit, with over 200 men and women attending.

Speakers included Henry S. Stout, Mayor of Dayton, and general agent for John Hancock; Alden C. Palmer, chairman of the board of directors of Insurance and Review Service, Indianapolis, and company officials.

Deletes Use of War Riders

Connecticut Savings Banks Life fund has eliminated the use of war riders. Restrictions imposed on existing policies because of aviation hazard shall continue.

Term forms generally shall not be available to applicants 17 through 26, or to applicants in any reserve, national guard, or in service with the armed forces.

Opens New Dayton Office

Life of Virginia has established a new district office in Dayton, O., with John W. Babb as manager and James A. Kirby and Paul V. Dorman as associate managers. Mr. Babb was formerly associate manager at Charleston, Va., and has more recently been a field training supervisor. Messrs. Kirby and Dorman were agents in Charleston, Va., and Pontiac, Mich., respectively.

L. & C. of Tenn. Contest

Life & Casualty of Tennessee has launched a one-year sales contest with a 1956 Cadillac as first prize to introduce its new "executive participant" policy. Vacations and other awards will be given, also. Prizes will be made for over all production.

The policy is a whole life participating plan, sold in amount of \$25,000 or more. Premiums are on a modified two year basis with dividend payments beginning at the end of the second year.

Eastern Carolina CLU's Elect

Erwin T. Ridgeway Jr., manager of New York Life at Raleigh, has been elected president of Eastern Carolina CLU chapter, succeeding John H. Clayton, Prudential, Durham.

H. Gray Hutchinson, general agent of Penn Mutual Life at Raleigh, and Carver J. Peacock, Prudential, Durham, were elected vice-president and secretary, respectively.

Los Angeles Supervisors Elect Pope, Hear Fritz

Life Agency Supervisors Assn. of Los Angeles elected Robert E. Pope Jr. of New York Life president; Robert C. Hess of Northwestern National Life vice-president, and Vernon J. Johntry Jr. of Guardian Life secretary-treasurer.

Walter Fritz, underwriting secretary of Northwestern National Life, told members that the most remarkable contrast in comparing underwriting results of today with those of a decade or two ago can be seen in rejection ratios. He said declined business in 1954 was only 2% as compared to 7-10% 10 years ago. The decrease, he said, is a result of the success of sub-standard business based on the knowledge of mortality of impaired lives.

M. D. Bennett, A. B. Yeates in Higher Prudential Posts

Prudential has promoted Melvin D. Bennett, formerly assistant actuarial director at the Canadian office, Toronto to associate actuarial director, and Allen B. Yeates, formerly manager of public relations and advertising, to assistant director, advertising, sales promotion and public relations.

Mr. Bennett has been with Prudential since 1936 and Mr. Yeates, since 1951.

Gaines on Pohs Faculty

Sidney Gaines, formerly senior attorney and chief assistant special counsel to the welfare fund inquiry of the New York insurance department, has joined the faculty of Pohs insurance institute in New York City. He is practicing law, and is counsel to Statutory Automobile Rating Bureau.

Occidental, Cal., Promotes Two

Occidental Life of California has named Paul Kryski general agent at Calgary, Canada, and Robert E. Reiff assistant brokerage manager at Providence, R. I.

Both have been agents for Occidental since 1953. Mr. Kryski succeeds T. R. Reece who now will devote full time to personal production.

Retire From Jefferson Standard

Members of Jefferson Standard Life's home office staff who have retired are vice-president J. H. Berrier; Charles G. Hatch, mortgage loan department; Miss Pearl Jackson, personnel division; Mrs. A. W. Lull,

payroll division; and Mrs. O'Delle Tedder, mortgage loan department.

A Quarter Century Club for employees with 25 years or more service has been formed. Ninety-four charter members, representing 2,996 working years with the company, were inducted at a dinner party honoring the five retiring employees.

Franklin Names Personnel Head

Franklin Life has appointed Raymond Swartout of Wayzata, Minn., personnel director. He was formerly personnel director of Strutwear at Minneapolis and mayor of Wayzata.

Phillip McGary to Helm of Louisville Managers

Phillip McGary, Commonwealth Life, has been elected president of Louisville General Agents & Managers Assn. He replaces Henry M. Johnson Jr., Northwestern Mutual.

John H. Ward III, Aetna Life, is 1st vice-president; D. W. Hallenberg, Lincoln National, 2nd vice-president, and Larry Cassidy, Provident Mutual, secretary.



Bill Nalac's CORNER

"When a man buys a home, he naturally expects to get a deed to it. So when he buys a Sickness and Accident policy, why shouldn't he get a deed to that, too—considering that an S&A policy can potentially be a much more valuable piece of property? Actually he does when he buys our Non-Cancellable plan, for here's a contract with a built-in deed that establishes all rights of unconditional ownership until the owner is 65. It isn't hard to get audience in the S&A market these days when you have a story like that to tell!"

NORTH AMERICAN

Life and Casualty Company

HOME OFFICE: MINNEAPOLIS, MINNESOTA

H. P. SKOGLUND, President

* J. E. SCHOLEFIELD, Vice President—Director of Agencies

LIFE • ACCIDENT • SICKNESS • HOSPITAL • GROUP



REPORT OF Continuing Progress

ASSETS \$189,916,371.30

**1954 GAIN IN ASSETS
\$7,907,679.51**

**10-YEAR GAIN IN ASSETS
\$58,913,994.01**

Insurance in Force \$562,916,923

Benefits Paid \$800,000,000

Proud of Our Past . . .

Prouder Still of Our Present . . .

Facing the Future Confidently

In Our 73rd Year

FROM MODERN WOODMEN OF AMERICA

ASSET DISTRIBUTION

74.1% Bonds & Stocks

17.8% Mortgages

8.1% Other Assets

**1955 DIVIDEND SCHEDULE INCREASED
\$1,000,000 OVER 1954**

Increased earnings and the opportunity to "get ahead" are built into the future of the Modern Woodmen agent. If you want a career with a future—one that will give you opportunity to use your talents to the fullest—there's a place for you at Modern Woodmen.



MODERN WOODMEN OF AMERICA

EST. 1863

ROCK ISLAND, ILLINOIS

Life
A & H
Group
Franchise
Hospitalization
Brokerage
Reinsurance

life insurance in force exceeds
\$775,000,000.00

PLUS: One of the most advanced agents training programs in the nation . . . Supervised offices . . . Trained Group men to assist agents . . . An alert Underwriting and home office staff . . . Top commissions.

REPUBLIC NATIONAL LIFE INSURANCE COMPANY

Theo. P. Beasley, President

Home Office, Dallas

Lutheran Mutual

LIFE INSURANCE
COMPANY

PROUDLY SALUTES ITS 1955 NQA WINNERS

Fifty-eight Lutheran Mutualmen have won the National Quality Award.

Our congratulations to them for work well done.

J. V. Albrecht	E. K. Hasselbring	Harold A. Palmer
Charles E. Alt	Ernest L. Hax	John M. Park
Arthur H. Arneson	John R. Heme	Leslie M. Pearson
Marc W. Arneson	Frank J. Hummel	D. E. Peters
H. G. Austinson	Hart P. Kjeer	L. R. Prather
Melvin W. Babbitt	Karl W. Klett	Harvey C. Raasch
Carl F. Bockelman	Donald E. Koschn	George C. Rausch
Albert E. Buenzow	Leonard C. Kramer	Benno H. Ritter, Sr.
Walter Burmeister	I. B. Krienke	Benno H. Ritter, Jr.
Carleton G. Case	M. M. Larson	Howard F. Ritter
Herbert E. Clarke	Wm. A. Le Cook	I. E. Rosholt
Melvin I. Crumrine	Harold C. Ling	George L. Schnug, CLU
Oliver J. Curfman	L. A. Lubben	Elwin H. Schubbe
L. H. De Weerth	F. H. Lueck	Victor W. Schulz
Albert Folmet, CLU	Benton Luedcke	Hubert A. Seifert
Virgil H. Folkers	Herold J. A. Lueders	E. H. Shields
A. C. Grossmann	Ben G. Marten	George H. Sielschott
H. H. Hantelman	Gladys H. Marten	Arthur W. Winkelhake
Carl F. Hanusa	Martin A. Moerbe	
Samuel J. Harke	Herbert A. Oster	

LUTHERAN MUTUAL LIFE INS. CO. ★ WAVERLY, IOWA

Sees No Revival of Premium-Payment Test

(CONTINUED FROM PAGE 1)

such as those of the Million Dollar Table, have played in this development.

Speaking as an accountant of 40 years' experience, Mr. Andrews mentioned the "terrific losses" he had seen caused by lack of insurance. He praised the role of life insurance in making it possible for business to continue and not suffer a mortal blow through the death of one of the partners. He observed that when a business loses its spark plug or spark plugs it needs to be tided over until it can get on its feet again. He also mentioned the role that insurance plays in pension plans.

With a record of 603 members, plus guests, it was impossible to conduct a question period, so Donis B. Maduro, attorney of New York City, asked Mr. Andrews the questions most likely to be of interest to the audience. One of these dealt with the feeling that sometimes the internal revenue service regulations do not necessarily reflect the intent of Congress and on occasion may actually go against it. Mr. Andrews said that "this administration is committed to doing what Congress wants" but he said it is not always clear, even from reading the committee reports, exactly what Congress intended should be done. But, he emphasized, there is no intention whatever to legislate by regulation.

* * *

As for reports that some people know what is going to be in the regulations before they come out, Mr. Andrews said that not even the revenue service's committee of advisers know what is going to be in the regulations in advance of their publication in the *Federal Register*, even though they know what subjects have been under discussion.

Asked about the revenue service's view on the Oates case decision of the seventh circuit court of appeals, permitting the spreading of an agent's renewal commissions after retirement, Mr. Andrews said the Revenue Service had taken a non-acquiescence stand on the decision because its chief counsel had considered it to be faulty. The commissioner said it was his recollection that the case did not contain the elements on which the revenue service could have asked the United States Supreme Court for certiorari even if it had wanted to.

At the same time, Mr. Andrews said, it is not the policy of the revenue service to promote cases with a view to getting a decision favorable to itself in another circuit. The procedure is to wait until a decision comes along based on facts similar to the earlier one, and if that case goes in favor of the revenue service the latter would ask the Supreme Court to resolve the conflict.

Mr. Maduro asked about the philosophy of the 1954 revenue code. It is very simple, said Mr. Andrews: The more money there is in the hands of the taxpayers, the more money there is to build America; the theory of this administration is that the people of America know better how to run their businesses than the government does.

Mr. Andrews was introduced by his long-time friend and fellow-citizen of Richmond, Va., Howard D. Goldman, general agent of Northwestern Mutual Life.

Besides electing Mr. Priebe as chairman, the MDRT advanced Mr. Goldman from member of the executive committee to vice-chairman, putting him in line for the chairmanship of the

1957 Round Table. William D. Davidson, Equitable Society, Chicago, was reelected to the executive committee, and Adon N. Smith II, Northwestern Mutual, Charlotte, N. C., was added to the executive group. Chairman Byrnes of the 1955 Round Table will continue on the executive committee next year as immediate past chairman.

G. Nolan Bearden, New England Mutual Life, Beverly Hills, Cal., chairman of the 1954 Round Table, presented to Mr. Byrnes an inscribed silver plaque attesting the membership's appreciation of his services as chairman.

Other actions at the business meeting included these by-laws changes, effective Jan. 1, 1956:

—April 15 was set as the deadline for payment of dues as a member of the National Assn. of Life Underwriters. MDRT members are required to be members of their local associations for the full period of their qualification.

—The present \$25 limit on the annual dues will be removed, leaving the fixing of dues to the discretion of the Executive Committee.

—Retirement annuity policies will be counted on the basis of \$15 in commission being equivalent to \$1,000 of face amount of insurance. This substitutes for a formula that uses a different basis for older than for younger policyholders.

—It will be permissible to vote by mail on by-laws changes in addition to the present system of voting on these changes at annual meetings.

Before Commissioner Andrews' talk, Mr. Maduro spoke on changes in estate planning under the 1954 revenue code. He discussed (1) the change that exempts from federal estate taxes the death proceeds payable under qualified pension trusts or profit-sharing trusts and attributable to employer contributions; (2) the change that exempts from federal estate taxes the death proceeds of personal life insurance in which the insured retained no incident of ownership, regardless of the fact that he has paid any premium directly or indirectly; (3) the change which includes as taxable income of a beneficiary a portion of the death proceeds of personal life insurance policies payable in installments or as an annuity; (4) the change which includes as taxable income of the insured a portion of the maturity proceeds of endowment or retirement income policies payable in installments; (5) the change which permits gifts to minors to qualify as gifts of present interest and to be exempt from federal estate taxes of the donor.

To pinpoint his discussion, Mr. Maduro took up each of the five changes and showed how each would apply in the case of a specific type of client, in this instance a corporation executive.

Following Commissioner Andrews' talk there was a panel discussion on current sales opportunities, with Theodore Widing, Provident Mutual, Philadelphia, as moderator, and J. Welldon Currie, New England Mutual, Miami, and Edwin G. Davies, Manufacturers Life, Los Angeles, as panelists.

Mr. Currie, speaking on "Selling Business Insurance in 1955," said the agent should qualify each prospect by considerable advance inquiry, so as to be able, when actually talking with him in person or on the phone, to determine what important point or points about his situation may be expected to

get him interested in having an interview.

The agent should make sure the prospect understands the entire plan, including (1) from the standpoint of the corporation itself, the cost or profit if adopted; (2) the effect it will have on a stockholder if adopted, compared with his receiving the same amount as a taxable dividend; (3) the tax-free income receivable by the corporation if it loses an executive by death prior to retirement; (4) how the stockholders living at age 65 (when his income taxes are greatly reduced after retirement) receives today's profits which have been set aside for him; (5) how the first \$5,000 paid to an employee's widow is received by her entirely free of income tax and still can be deducted as an expense by the corporation, thus saving taxes both ways on the same \$5,000.

Mr. Currie supplied a printed version of the plan he uses and suggested that the younger men use it just as it is.

"If I can help any of you new or younger members of the Table close your more difficult cases, get in touch with me," he added. "It has been possible to close cases for several of the boys by talking to their prospects direct on long distance."

Speaking on "Selling Millions of Life Insurance Under the 1954 Revenue Code," Mr. Davies explained how to devise a plan under which (a) the government in effect pays a part of the premium cost because the premiums paid are already out of the insured's estate at death and (b) the government takes no part of the insurance proceeds which enter into the trust that has been set up free from estate taxes, not being taxable as part of the insured's estate.

"These plans are not complicated," he said, "particularly if you work with the client's attorney and trust officer, both of whom will be quite willing to cooperate with you, as legal work and new trusts are involved."

The closing speaker Wednesday morning was the Rev. Thomas L. O'Brien, S. J., director of the Loyola Jesuit Retreat House at Portland, Ore., whose talk is reported elsewhere in this issue.

Wednesday evening there were 10 concurrent room-hopping sessions on various aspects of estate planning and employee benefit plans. All the room-hopping sessions, which took place Tuesday afternoon as well as Wednesday evening, were under the direction of Adon N. Smith II, Northwestern Mutual Life, Charlotte, N. C., vice-chairman of the program committee and member-elect of the executive

committee for the 1956 Round Table.

Concurrently with the session addressed by commissioner Andrews there was a special session for Canadian members, with Mr. Priebe presiding. Paul Audet, Prudential of England, Quebec, was moderator. David A. Donaldson, London Life, and Rodney Hull, Mutual Life of Canada, both of Toronto, discussed business insurance and estate analysis in Canada.

Sol Eisen, Canada Life, Toronto, talked on pension trusts, group annuities, deferred compensation plans, and employee benefit plans generally as they are written in Canada. The problems are much the same as those in the United States but the tax structure is quite different. It was the first time the MDRT has had a special session for Canadian members. It was well attended.

Messrs. Hull and Donaldson made their presentation jointly. At its conclusion, Mr. Donaldson pointed out that it is almost impossible to determine in advance whether a case is going to be business life insurance or estate analysis.

"Indeed it is impossible to say where one starts and the other ends," he said. "Under these circumstances it is important for an underwriter to have a broad knowledge of the basic principles of estate planning and business insurance, balance sheets, and business practices. With such he can enter into a case confident that whatever direction in which it unfolds he will have the necessary background to understand and guide the thinking of the client. Specialist's knowledge in any one of the fields can easily be secured by consultation with accountants, lawyers, trust officers."

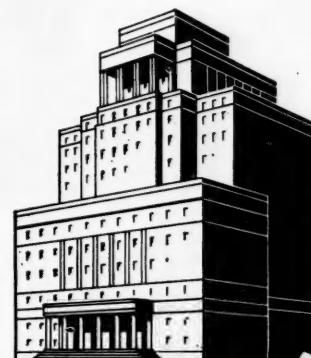
Stressing the need for compliance with the official booklet of rules for approved pension plans, Mr. Eisen said that in his opinion "we should be conscious of the fact that in the not too distant future it is quite possible that the authorities at Ottawa may commence carefully reviewing all approved pension plans.

"If they find some plans in operation that do not strictly comply with the intent of these rules, they may be disqualified retroactively, with very serious repercussions with respect to contributions made to the plans by both the firms and the employees ever since date of approval," said Mr. Eisen.

There are 73 qualifiers for the MDRT from Canada and 43 of them were on hand for the White Sulphur Springs meeting.

Mr. Priebe, who will head the 1956 Million Dollar Round Table, sold more than \$2 million of life insurance last year and has qualified for the Round Table for 10 years. He has been a member of the executive committee for three years and last year served as its vice-chairman and also as program committee chairman for the 1955 meeting. He is currently fifth highest ranking agent in his company, as he was for the entire year 1954. Since 1945 he has been an associate professor of the Purdue course and has done considerable speaking before life underwriter association meetings in the United States and Canada. He is a CLU. Mr. Priebe has served as president of the Rockford Chamber of Commerce and president and campaign chairman of the Rockford Community Chest. A son, Arthur Jr., is majoring in insurance at the Wharton school of the University of Pennsylvania.

The first part of the MDRT meeting was reported in last week's issue.



NOW A

2 Billion Dollar
COMPANY

\$2,000,000,000 now in force . . . It's an accomplishment we're mighty proud of. In the past many people have made significant contributions to our growth and of these, the men in the field are first in line for congratulations. We pay tribute to our Managers around the world for their untiring efforts to build top-flight agency forces. We are particularly proud of our Life Underwriters who, through sound work habits and intensive study, have qualified themselves to give professional service. Special mention should be made of the insurance men outside our Company who have expressed confidence in the Manufacturers Life by placing substantial volumes of business with us.

Through all these people, Manufacturers Life has provided the public with liberal underwriting practices, low cost contracts and sound administration. This is the successful combination that has doubled Manufacturers Life's business in force in just eight years.

THE
MANUFACTURERS
INSURANCE LIFE COMPANY
HEAD OFFICE (Established 1887) TORONTO, CANADA

THE COUNTRY'S MOST FRIENDLY COMPANY
OFFERS . . .

- Modern and attractive agent's and general agent's contracts to those looking for a permanent connection.
- Complete line of Life Insurance policy contracts from birth to age 70 with full death benefit from age 0 on juvenile policy contracts.
- Complete line of Accident and Health policy contracts with lifetime benefits.
- Individual and Family Hospitalization contracts.
- Complete substandard facilities.
- Educational program for fieldman.

Strong, Progressive Company
Older than 85% of all legal reserve life
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COMPANY'S EXPANSION PROGRAM OFFERS
Openings in California, Illinois, Indiana, Kansas, Michigan, Minnesota,
Missouri, Nebraska, New Jersey, North Dakota, Ohio and Wisconsin

NORTH AMERICAN LIFE INSURANCE COMPANY
OF CHICAGO

R. D. ROGERS, C.L.U., DIRECTOR OF AGENCIES
NORTH AMERICAN BUILDING, CHICAGO 3, ILLINOIS

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LOANS
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in Marketing and Management
for the Insurance Business
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**For Prestige,
Knowledge,
Income.**

Attainment of the C.L.U. designation offers many rewards to the career life underwriter—increased prestige with his clients and the people in his community—a deeper knowledge of the basic subjects that help him to do a better job—greater earnings that follow naturally from the application of this knowledge in the rendering of truly professional service.

We are proud of our associates who have achieved the C.L.U. designation, and those who are currently on their way towards that goal.

THE Guardian
LIFE INSURANCE COMPANY OF America
FIFTY UNION SQUARE NEW YORK 3, N.Y.
A MUTUAL COMPANY—ESTABLISHED 1860

FRATERNALS

Hudson to Gleaner Board

Wayne W. Hudson, president of Hudson Manufacturing at Sheridan, Mich., has been elected to the board of Gleaner Life to fill the unexpired term of Mrs. Elfa Munn, who resigned.

Mr. Hudson is a member of Enterprise Arbor, the local Gleaner unit, and has been active in fire insurance and banking fields. His term expires in October, 1955.

Elect Kuehl in Wisconsin

Walter Kuehl, Neenah, was elected president of Wisconsin Federation of Aid Assn. for Lutherans at the annual convention in Wausau. Other officers are Peter Kimmel, Milwaukee, vice-president; Louis Freude, Appleton, secretary-treasurer; A. G. Nickel and John Grey, Milwaukee, directors. About 400 delegates attended the business sessions and 1,200 the evening session and dinner program.

Agents Attend Training Course

Fourteen Modern Woodmen agents completed a 10-day home office intermediate training course which included sessions on prospecting, closing, motivation and social security. They qualified for the course by production and persistency records, plus completion of required training in the field.

Milwaukee Fraternalists Elect

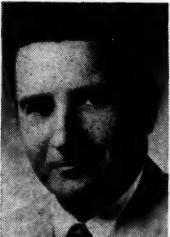
New officers elected by Milwaukee Fraternal Congress, composed of 18 life fraternalists, are William Gardner, Pilgrims, president; Mrs. Merle Darrell, National Flagday Foundation Auxiliary, vice-president; Mrs. May Gardner, Women of the Moose, chaplain; Miss Lillian Eickholz, National Mutual Benefit, secretary; Mrs. Lillian Sharen, Degree of Honor, treasurer, and Richard Church, Loyal Order of Moose, sergeant-at-arms.

Guardian Names Lambert to New Sacramento Post

Guardian Life has opened a new agency in Sacramento and appointed Dwight E. Lambert manager.

Mr. Lambert became an agent of Equitable Society in 1930 in Colorado, later advancing to district manager and assistant agency manager in Denver. He was named manager of a new Equitable Society agency in Sacramento in 1947.

Moore to State Mutual



Glenn B. Moore

State Mutual Life has appointed Glenn B. Moore manager of the Lansing, Mich., agency which has been closed since 1935. Mr. Moore has been associate general agent of Aetna Life at Lansing.

Cheyney to Agency Post

Charles H. Cheyney has been named associate general agent of Mutual Benefit Life's Murrell Brothers agency in Los Angeles.

Mr. Cheyney, who had been with New York Life, entered the Mutual Benefit Life training program at Denver in 1951. He later was transferred to Los Angeles as recruiting and training supervisor. He is a CLU.

Conn. Savings Bank Group Elects

Assn. of Life Insurance Department Managers of Connecticut has elected Ralph H. Morgan, secretary of Farmers & Mechanics Savings Bank, Middletown, chairman; W. Franklin Newberry, assistant manager of the

life insurance department of Waterbury Savings Bank, vice-chairman; and Mrs. Gertrude C. Grennan, manager of the life department of Bristol Savings Bank, secretary.

Spofford to Mutual of N.Y. Board

Charles M. Spofford, a partner in the New York City law firm of Davis, Polk, Wardwell, Sunderland & Kiendl, has been elected to the board of Mutual of New York. He is on the boards of other organizations, and was U. S. deputy representative to the North Atlantic council from 1950 to 1952.

COLUMBIAN NATIONAL LIFE

announces . . .

The
"CASH SETTLEMENT at 68"
Policy

With this policy

you can sing this song



A cash settlement policy at age 68 paying all the standard premium paid — and then some.

- Written from age 20 to 45 (younger ages later)
- Paid up value is a paid up endowment at 68
- Premium payable to age 68, cash and loan values from second year.
- In many instances extended insurance value will extend insurance to 68 and still leave some cash.

Option 1 Paid up life for sum insured plus difference in cash over \$782 per \$1000

Option 2 Monthly income 5 years certain men 6.50, women 5.75 per \$1000.

The COLUMBIAN NATIONAL LIFE INSURANCE Company
BOSTON, MASSACHUSETTS

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Speakers Listed for NALU Annual Meeting

(CONTINUED FROM PAGE 1)

G. S. Cutini, director of training for Life of Georgia. They will be followed by the Million Dollar Round Table hour, at which selected star performers will present the ideas that brought them million-dollar production.

Friday morning Managing Director Lester O. Schriner will moderate an informative panel on "Our Allied Associations" at which representatives of other life insurance organizations will be the panelists. Horace R. Smith, superintendent of agencies of Connecticut Mutual Life, will present "The Street Agent Speaks."

The complete list of speakers for the General Agents & Managers Conference was printed in THE NATIONAL UNDERWRITER for June 24.

Harry N. Phillips, Sun Life of Canada, Detroit, a trustee of NALU, is program chairman for the convention.

A state officers "workshop" will be an innovation at this year's convention.

The convention will get under way Monday Aug. 22 with committee meetings throughout the forenoon and the meeting of the American Society of CLU directors the entire day. At 2 p.m. the national council will meet. That evening the Women's Quarter Million Round Table will have its business meeting and there will be a meeting of the NALU board of trustees.

Tuesday, Aug. 23 there will be a breakfast for the past presidents. The second session of the national council will get under way at 9 a.m.

Luncheon will start off the session of the General Agents & Managers Conference which will run through the afternoon.

Also during the afternoon will be the agents' forum and the meeting of the American College trustees, both starting at 2 p.m.

The committee of agents will meet at 4 p.m., followed by the NALU board of trustees at 5 p.m.

In the evening there will be the Women's Quarter Million Round Table reception and dinner and the American College trustees dinner. At 8 p.m. there will be an evening program session of the GAMC.

Wednesday the American Society of CLU will hold its breakfast meeting and annual membership gathering.

At 9:15 the general convention session will start.

The women agents luncheon will be at 12:30 p.m. and the general convention session will resume at 2 o'clock. That evening there will be the American College and American Society of CLU dinner and conferment exercises.

On Thursday there will be three breakfast meetings: the executive secretaries, the graduate society of the institutes of insurance marketing and the Texas "trained seals," in honor of speakers who have addressed Texas caravan sales congresses.

The state officers' workshop will convene at 9 a.m. and the general convention session at 9:15.

The traditional NALU-LUTC luncheon will be on Thursday, followed by

the meeting of the national council and the convention business session.

The company dinners will be that evening, followed by the president's reception and ball.

The third general convention session will be Friday Aug. 26, followed by the fellowship luncheon.

At 3 o'clock the new board of trustees will meet and will reconvene the following day.

In pre-convention sessions, on Saturday Aug. 20 the American Society of CLU directors will meet all day and the NALU board of trustees will meet in the afternoon. On Sunday the American Society of CLU regional new candidate committee will meet in the morning, and the GAMC directors will convene at 10 a.m. for an all-day session.

Hilliard Group Director for North American L. & C.

George Hilliard, formerly with Washington National, has joined North American Life & Casualty as director of the group department.

Mr. Hilliard started in the group field about 16 years ago and he has helped design and service business in more than 20 states. He is a member of the group committee of H & A Underwriters Conference and has worked closely with Chicago Hospital Council to establish improved group procedures.

240 Qualify for WQMDRT

Florence McConnell, John Hancock, Galesburg, Ill., chairman of Women's Quarter Million Round Table, has reported there are 240 qualified members for 1955. Forty-six first-year qualifiers and 11 new life members will be awarded certificates and plaques at the NALU annual meeting in St. Louis Aug. 21-23.

Membership has gained over the past two years, and the number of companies and states represented has increased, she said. Members are becoming increasingly active in and outside the business.

Forrest Estate Is \$500,000

The bulk of the estate of Alfred E. Forrest Jr., North American Accident of Chicago president who died June 27, was left to his secretary. Miss Hazel Boostrom, who will receive almost \$400,000 of the estate estimated at \$500,000, has been with North American Accident for 25 years, serving as secretary to Mr. Forrest and his father, the late Alfred E. Forrest Sr. Miss Boostrom plans to continue working with the company. Mr. Forrest, a bachelor, left \$100,000 to a sister, plus a few small bequests.

In a letter to company agents, S. Robert Rauwolf, vice-president and agency director, said the present management will be retained. He also noted that the stock in North American owned by Mr. Forrest will be held as a unit for the eventual beneficiaries who are members of the Forrest family and Miss Boostrom.

**LONG TERM BANK LOANS
ARRANGED ON VESTED
RENEWAL CONTRACTS**



U. C. & G. C. serves the financial needs of those engaged in the Life Insurance Business. Your tax problems may be simplified and savings effected. Correspondence invited.

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**LIFE AGENTS
GENERAL AGENTS
AND BROKERS**



Principles survive long after
methods are forgotten.

While "YOU, Inc." training necessarily deals with the techniques of successful selling . . . each of these is related to a well-defined principle which gives it strength and reason.

For that reason most of the training time is
devoted to discussion . . . little to
memorization.

Stated simply, "YOU, Inc."
training is predicated on the belief
that an agent isn't fully trained until he
knows why as well as what!

Since its inception, Cal-Western's "YOU, Inc." training program for agents has attracted interest from many segments of the life insurance industry. If the program has enjoyed above-average success, we believe it is due, first to extremely careful selection standards, and second to certain basic concepts around which "YOU, Inc." is framed. In this series of messages, we present some of these concepts . . . not in the spirit of boastfulness . . . but because they may be of value to the industry as a whole.

California-Western States Life Insurance Company

HOME OFFICE: SACRAMENTO

A. A. L. Representatives Enjoy Personal Security

The personal security program includes:

- Group hospital, surgical, accident and sickness coverage.
- An agents' retirement plan with certain disability provisions and life insurance benefits.
- A liberal commission paid on first, second, third, and fourth year premium payments.
- A generous persistency fee based on certificates in force for the fifth and subsequent certificate years.
- A business expense bonus and advances—especially helpful to new representatives.

Aid Association for Lutherans

Legal Reserve Fraternal Life Insurance

Home Office:

Appleton, Wisconsin

Room-Hopping Sessions Cover Business Cases

(CONTINUED FROM PAGE 4) partner or stockholder might prevent an insured purchase agreement being adopted, even if the other partners or stockholders were insurable. Under the new law, the partnership (or corporation or partners) can buy old personal insurance from such uninsurables—so that the uninsurable can receive tax-free cash for the cash value under his policies, be relieved of future premium payments, and still be sure of being covered under the insurance purchase plan. This has proved a mechanism for getting tax-free money out of a corporation when the corporation buys the policy from the insured.

"In a recent case," said Mr. Mintz, "our recommendation of a stock retirement plan was adopted over another's recommendation of a stock purchase plan, with cross-ownership of the insurance among the stockholders, because a stockholder can be a transferee for value."

Acceptance of a partnership in the courts and internal revenue ruling as a single body similar to a corporation is serving as a great assist in the solution of buy-sell agreements involving more than two partners, said Harry R. Schultz, Mutual of New York, Chicago. This is commonly known as the entity theory and "we can be forever grateful for it," said Mr. Schultz.

"I would feel safe in saying that with the entity theory gaining in stature, the relationship between it and the funding of partnerships with life insurance will become of increasing importance," he said. "In the foreseeable future it seems to me that partnerships will form an important segment of our market and it should be our responsibility to make our service available."

Most agents, said Mr. Schultz, are guilty of thinking of partnership business only in terms of buy-sell agreements and often completely overlook situations in which two partners invest considerable money in a new product and bring in an expert from the outside to handle the new venture. In a corporation he would be a key-man. In a partnership he might be called a "partner in fact." Covering such men also leads to personal business as well, Mr. Schultz has found.

Paul W. Cook, Mutual Benefit Life, Chicago, described four cases in which business insurance was "imagined" into being:

1. The corporation's management was told about the desirability of insurance on the management but the real thing that sold the insurance was the desire of the management team (composed of second and third generation survivors of the founders) to have a reason for not paying out large dividends.

2. A corporation president borrowed

a million dollars. He was the principal stockholder and was so impressed with that fact that if there should be any shrinkage in what would be in his net equity that he bought life insurance to cover the loan, whereas he wouldn't have needed it otherwise.

3. An uninsurable man of wealth, though he'd given his wife most of his property, still had left an estate so big that it took all the ready cash plus a large loan to pay the estate tax when he died. The whole estate would have been wrecked if the widow had died any time soon thereafter. Substantial insurance was placed to take care of the tax that would be payable.

4. A corporation had a plan under which senior executives become eligible for retirement contract prior to age 55, at which age a death benefit for the wife was added. The corporation had been insuring these death benefits on a life paid up at 65 contract for those who had qualified, as they reached age 55. It was not hard to show that if these men were to be insured, the sooner they could be covered the better, and in the meantime the employee could pay for the insurance on the split-dollar basis.

Ohio National to Write Income Disability Benefit

Ohio National Life has introduced a monthly income disability benefit providing \$10 for each \$1,000 face amount commencing with the end of the sixth completed month of disability and continuing to age 65, or the date of endowment maturity, whichever is earlier.

It is issued to male lives only, age 20 to 50. Minimum basic policy is \$2,500 (\$5,000 if added to an existing policy); maximum \$25,000.

Ohio National also has introduced a 30-year home protection plan and term to age 65. Among many changes in underwriting practices, 5, 10, and 15-year convertible term will now be considered for issue on a substandard basis.

Home Life Names Manager

Home Life has appointed Thomas A. Bittenbender manager at Cincinnati.

Mr. Bittenbender has been a supervisor and assistant to General Agent William T. Earls of Mutual Benefit Life in Cincinnati. He has served as an officer of Cincinnati Assn. of Life Underwriters.

Home Life's Cincinnati agency, opened in 1864, has been managed by W. A. R. Bruehl Jr. who retired after 44 years of service. He is the third generation of his family connected with the company.

Blitch Heads Ga. Assn.

Melvin S. Blitch, Life of Virginia, Savannah, has been elected president of Georgia Assn. of Life Underwriters.

Robert L. Looney, Equitable Society, Griffin, and F. L. Perritt, Liberty National Life, Albany, were elected vice-presidents. Hubert M. Tarpley, Equitable Society, Augusta, was chosen national committeeman.

Choose Bergquist President

Donald P. Bergquist, Mutual Trust Life, is the new president of Minneapolis Life Managers Assn. succeeding B. W. Bauernfeind, Prudential. The vice-president is F. L. Lund, Mutual Trust Life, and the secretary is F. R. Olsen, Northwestern Mutual.

J. J. Howe to Helm of Oregon Agents Association

Oregon Assn. of Life Underwriters at its annual meeting in Medford elected John J. Howe, Mutual of New York, The Dalles, president succeeding A. E. Gravengaard, Bankers of Iowa, Portland.

The new vice-president is Ralph Schwab and the secretary is Robert L. Rau, Standard, Portland. The 1956 annual meeting will be held at Eugene.

Manhattan Life Names Golden at Grand Rapids

Manhattan Life has appointed Raymond C. Golden general agent at Grand Rapids, with offices in the Federal Square building.

A former musician with name bands, Mr. Golden entered the business in 1948 and has been with New York Life in Grand Rapids for the past seven years.

Texas Life Opens Houston Office

Texas Life of Waco has opened a branch at Houston, its eighth new office since beginning an expansion program two years ago. Clyde F. Smith has been named manager. He has been in insurance for more than 10 years.

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\$161,936,345
Life Insurance in Force Dec. 31, 1954

Our 48th Year of Service



SECURITY AND SERVICE

Boston Mutual is constantly reviewing policyholder programs to make sure they meet with changing family needs.

Tex. Agents Elect Atkinson; Other State Groups Meet

The effectiveness of recently enacted insurance legislation in Texas will depend upon interpretation and administration, Ben P. Atkinson of American General Life, Austin, told Texas Assn. of Life Underwriters at its convention in Fort Worth.

M. R. Atkinson, legislative committee chairman, urged agents to avoid filing complaints with the insurance department unless they can be substantiated with information usable in a formal hearing.

Mr. Atkinson was elected president to succeed V. W. Kelley of Amicable Life, San Angelo. R. L. McMillon of Business Men's Assurance, Abilene, is vice-president, and Hunter Jones of General American Life, Wichita Falls, secretary-treasurer.

Robert L. Walker, NALU president, reviewed NALU activities in insurance legislation on the national level. He said field forces are far ahead of the home offices in understanding the feelings of the public.

Highlight of the three-day convention was a sales congress which included talks by Travis T. Wallace, president of Great American Reserve; Newman Long, general agent for Great-West Life; David W. Ashley of Northwestern National Life, Fort Worth, and Stanley E. Martin, general agent emeritus for State Mutual Life at Dallas.

Frank Ragsdale of Great Southern Life, Waco, presented results of a study of the help local associations want from the state association. He listed them as help in solving unethical practice problems, aid in securing attendance at regional sales congresses, a plan for bringing combination men into the association and assistance in solving financial problems.

Mel C. Kruse of Great National Life, Amarillo, presented first place awards to the Dallas and Amarillo associations for civic and social activities.

Newman Long of Great-West Life, Dallas, addressed the General Agents & Managers Conference, which met during the convention. He said it is becoming more difficult for the general agent to build an agency because of the increased sale of term insurance, mass selling, dilution of the market by numerous small companies, increased number of low cost policies with low commissions and the increased cost of financing a new man.

Francis G. Bray of New England Mutual Life was elected president of GAMC. Other new officers are Thomas N. Moody of Connecticut Mutual Life, Fort Worth, 1st vice-president; Newman E. Long of Great-West Life, Dallas, 2nd vice-president; Raymond Brumley of Southland Life, Austin, treasurer, and Richard N. Chapin of Tennessee Life, Houston, secretary.

The Texas Leaders Round Table elected Edward O. Choice of Great National Life, Dallas, chairman; Neal J. Robertson of Amicable Life, Beaumont, vice-chairman, and Bert G. Ripley of Southwestern Life, Wichita Falls, sec-

retary. New directors are Hunter Jones of General American Life, Wichita Falls; Elton Plowman of American General Life, Lubbock, and J. Miles Abel of Southwestern Life, Houston.

The state association picked Tyler as the tentative site of the 1956 convention.

Equitable Names Keet To Salary Savings Post

Equitable Society has placed William K. Keet in charge of salary savings for the southern department, with headquarters at Rock Hill, S. C. He has been assistant divisional manager of the New York metropolitan department.

Robert W. Weidman, who joined the company in 1948 and has been district manager of the Holt agency in Newark for two years, was named to succeed him.

Mr. Keet joined the company in 1949 and later was promoted to unit manager. He was transferred to the salary savings division in April.

Mr. Weidman will work under the direction of James B. Kennedy, divisional manager of salary savings for the New York metropolitan department.

Humphrey Introduces Bills to Liberalize SS Benefits Program

WASHINGTON—Sen. Humphrey of Minnesota has introduced a "package" of bills which would make the following social security amendments:

Increase OASI benefits from 50 to 75% for wives and from 75 to 100% for widows; reduce the age at which women may retire and become eligible for benefits from 65 to 60 years; allow benefits for the permanently and totally disabled; allow children, for whom a petition for adoption was submitted, to receive dependency benefits even if the prospective parent died before the petition for adoption was formally granted; allow congenitally disabled children to be listed as dependents regardless of age; and continue the present \$5 increase in public assistance for another two years, instead of letting it expire in 1956.

Also, provide an additional \$5 across the board for old age assistance, and to the blind and disabled, with an additional \$3 for dependent children; provide a \$5 increase in the minimum OASI payments, raising them to \$35; provide a 2% postponed retirement benefit to each worker who continues to work past 65; provide for coverage of dentists under the federal old age and survivors insurance program; and provide for voluntary coverage of lawyers who wish to come under the OASI system.

Indianapolis A&H Men Name Highfield President

New officers of Indianapolis A&H Assn. are: President, William Highfield, Insurance R. & R.; vice-president, Lloyd Wright Jr., Lincoln National Life, and secretary-treasurer, R. W. Osler, Rough Notes Co.

New directors are J. E. Whittington, general agent Monarch Life, and W. T. Smith, manager Wisconsin National. G. E. Steigerwald, manager Prudential ordinary, retiring president, automatically becomes chairman.

Pru Managers Mark Anniversaries

The following managers of Prudential district offices observed long service anniversaries in June: Charles F. Lehmann, Union City, N. J., 35 years; Albert J. Rudge, East Liberty in Pittsburgh, and George E. Hartman, Williamsport, Pa., 30 years; and Milton Korngut, Dorchester, Mass., 25 years.

Says Larger Incomes, Business Purchases Hike Ordinary Sales

Ordinary life sales continue to increase at an accelerating pace principally because business organizations are buying greater amounts of ordinary for a variety of purposes and a growing number of people are advancing to income brackets permitting substantial life purchases, according to Robert B. Coolidge, vice-president of Aetna Life. He spoke at the annual western conference of Corps of Regionnaires, top producers' group of the company, at Santa Barbara, Cal.

The growth continues despite all that has been said and written in recent years about the encroachment of government insurance, social security and group insurance on the ordinary market, Mr. Coolidge said. Predicting that ordinary gains will continue for many years, he said he did not believe that in order to reach this market it would be necessary to abandon the "professional concept of life under-

writing" in favor of policy selling. Aetna Life will continue to emphasize the estate control plan as its major sales instrument.

E. E. Smith, supervisor at San Diego, said he found only 10% of those buying life have adequate A&H protection. While many have excellent medical benefits, the problem of loss of income during long periods of disability often is overlooked.

Lawrence Mann, Los Angeles, suggested agents follow these steps for analyzing weaknesses: Make a written statement of the goal; translate the goal into terms of productive activity; apply the activity to a work plan; improve the quality of prospects; conduct a continuing study of advanced sales methods; and maintain balanced activity in the different sales areas.

W. T. Craig, general agent at Los Angeles, described the new miniature group plan for 10 to 33 employees. It includes life, accidental death and dismemberment, A&H, hospitalization and allied coverages.

Gerald R. Mazur, San Antonio, said programming, business insurance, estate analysis and pension trusts are the most effective aids in attaining production goals.



"I want to help you plan ahead. You never know when a rainy day is coming!"

Bankerslifemen Sell Planning

Maybe it's just funny that a weatherman wouldn't know when a rainy day is coming, but it isn't funny not to plan for the other kind of "rainy day".

That's why Bankerslifemen are trained from their first days in their agency offices to help their clientele make plans. Such planning covers protection for widows and orphans, provision for retirement income and the more complicated plans covered by business insurance and providing cash for estate purposes.

Because Bankerslifemen do help their clients make and implement effective plans, they are the kind of life underwriters you are glad and proud to know as friends, fellow workers or competitors.

BANKERS Life COMPANY
DES MOINES, IOWA

REGIONAL SERIES ENDS

Market Potential, Confident Approach Stressed by Mutual

The tremendous market for life insurance—in terms of need and of capacity to buy—and the greater effectiveness of a relaxed and confident manner as opposed to trying overly hard to impress prospects and make sales were stressed by President Louis W. Dawson and Stanton G. Hale, vice-president for sales of Mutual Life of New York, at a series of regional meetings now concluded.

Mr. Dawson pointed out that in 1939 private legal reserve insurance coverage was equivalent to about 160% of annual income after taxes while by the close of 1954 the figure had fallen to 130%, even though personal income after taxes has continued to increase. Inflation has raised the cost of living 91% above the 1940 level, meaning that if a policyholder at that time wanted to leave his widow a \$2,000 a year income he now would have to provide \$3,800 to give her the same purchasing power. And if he wanted to make allowance for the general improvement in living standards since 1940, he should provide his widow with \$5,100 a year instead of the \$2,000 he originally programmed.

"Fortunately, policyholders now have a larger dollar income, which will enable them to buy the added protection they need so badly," said Mr. Dawson. "Could it be that the reason they haven't acted is that we haven't gone back to our policyholders and explained the situation to them?"

Cautioning the agents against decreasing their effectiveness by pressuring too hard, Mr. Hale said that "if you will build around your strengths in a normal, natural way you will be amazed at your effectiveness. Your prospects will react favorably to a relaxed and confident manner."

To be natural, to be yourself is so important, said Mr. Hale, that an agent should examine his entire operation in terms of this fundamental precept. He should ask himself what kind of insurance he likes most to talk about and what kinds of people he likes most to sell. If he answers these questions honestly he will be working in an atmosphere most conducive to his being relaxed, confident and enthusiastic.

After he has thus defined his market, the agent should then decide whether he wants to specialize in a few package type sales or to concentrate on building a clientele. If he chooses the package sale, he should choose a sales procedure that suits his style and taste. If he prefers the client approach, the job will center around how to build 400 to 500 good clients. When he has acquired this number, his job will be to take care of them on a continuing basis and be of constant value to them.

Adds Longer Mortgage Plans

Liberty Life is now offering 25 and 30 year mortgage redemption riders in addition to its 10, 15 and 20 year plans.

American Reserve Names 3

American Reserve Life of Omaha has made three agency department changes.

Warren A. Stansberry, formerly manager at Denver, was named agency

director. For two consecutive years he won the company award for having the outstanding branch.

John Kaye, agent at Chillicothe, Mo., was made home office supervisor and L. Dale Wood joined the company as group supervisor.

Illinois Life Agents' Group Life Bill Passed

Bills sponsored by Illinois Assn. of Life Underwriters pertaining to group life insurance successfully passed the recently adjourned 69th general assembly. The number of an insurable group has been reduced from 25 to 10, and the #20/40 NALU model bill formula is included. Also, under credit insurance the borrower now may be charged the cost of group life, except loans under the small loan act. Formerly the lender had to assume the cost.

Defeated was a proposed bill to create a separate licensing section in the Illinois code for life agents, with one of its key features being the elimination of temporary licensing. The licensing would also have applied to A&H.

Whitbeck Organizer of New Little Rock Insurer

Pioneer Western Life is being organized in Little Rock, Ark., with a capitalization of \$299,000. Of this amount, \$10,000 will be in capital, the remainder, surplus.

The company is being organized by Frank Whitbeck, who, until he resigned last April, was agency vice-president of Union Life of Little Rock. Associated with him as incorporators are Miss Jean Woolfolk, former assistant secretary of Union Life, and H. Maurice Mitchell, Little Rock attorney.

The stock structure consists of 40,000 shares of common and 20,000 shares of preferred, and its sale is on a package arrangement with each share of preferred commanding one share of common. The package sells for \$14.90. The 20,000 shares of common remaining after the package sales are being retained by the management.

Thus far, \$249,000 worth has been sold with the remaining \$50,000 under the package deal reserved for public sale after the company officially is organized.

The first meeting of stockholders was scheduled at Little Rock this week at which officers were to be named and directors elected. It is expected operations will begin by Sept. 1.

Shows 33% Sales Gain

Guarantee Mutual Life's new life sales for the first six months of 1955 exceeded by 33% those for the same 1954 period. There also was an increase in A&H sales.

The Novara Agency at Detroit led the entire agency force for the first six months, and the top producer was Boyd W. Flinders, Burbank, Cal.

With June sales 28% above those for the same month in 1954, the company extended to six the number of months this year it has shown an increase over the corresponding month of 1954.

Denver Assn. Elects Maier

Denver Assn. of Life Underwriters has elected C. D. Maier, Penn Mutual Life, president; William S. Cooley, Pacific Mutual Life, vice-president; Clifford M. Beery, Provident Mutual Life, secretary, and J. R. Hartley, Massachusetts Mutual Life, national committee man.

Tex. Insurer Plans Stock Sale

Directors of National Founders Life, a new Houston company, have approved an offering of 100,000 shares of common stock for sale to the public at \$5 each. W. M. Fleming is president, and vice-presidents are Jack Musselwhite and G. P. Montgomery.

Asa F. Kinney Named to Hancock Group Post; Other Changes Made

John Hancock has appointed Asa F. Kinney director of the group administration department. He also is assistant secretary. Wallace E. Rockwell, formerly in the group underwriting and research department, was named group administrative assistant.

A new pension trust and salary deduction sales unit was established in the group department and placed under the supervision of Ward L. Funk, 2nd vice-president. Alvar W. Polk Jr. was named administrative assistant, James T. Burgess, supervisor of pension trust and salary deduction sales, and Philip W. Jefferson, assistant supervisor.

The retirement plans and salary deduction division in the group sales and service department was discontinued, and a group annuity sales and service division was created, with Chester Baughman as director and Robert K. Trapp as assistant director.

South Coast Life Buys Larger Dallas Insurer

South Coast Life of Houston has acquired a majority of the outstanding stock of Rural Life of Dallas.

Rural Life, organized in 1939, had assets of \$5,443,872 at Dec. 31, 1954, and life insurance in force of \$51,139,568. Combined, the two companies have \$8.5 million in assets, \$75 million of insurance in force, and capital and surplus exceeding \$1 million.

Rural Life officers—Chairman J. S. Sharp, Vice-president C. H. Kuper and President J. B. Pope—will remain with the integrated companies. All have been elected vice-presidents of South Coast Life. Joe Woodward, president of South Coast, is the new president of Rural Life, and Ralph A. Johnston, independent Houston oil operator, is chairman of both companies.

The home office of South Coast Life was moved from Beaumont to Houston after the majority of the stock was purchased by American Country Life of Houston. The companies were consolidated.

Michael C. Dolak, 65, vice-president of Connecticut Mutual Life, died at Hartford hospital after a long illness. Before joining the company he had been with the federal railway administration, the interstate commerce commission and was chairman of the Connecticut state investment committee.



Asa F. Kinney

Minnesota Agents Choose Hathaway

Kenneth C. Hathaway, Northwestern National, St. Cloud, was elected president of Minnesota Assn. of Life Underwriters at its annual meeting in Minneapolis.

Z. Willard Finberg, Great-West Life, St. Paul, is vice-president; Loren S. Frankson, Guarantee Mutual Life, Rochester, treasurer; Alan W. Giles, Northwestern National, Minneapolis, secretary, and Freeland W. Hawlow, Northwestern Mutual, Minneapolis, national committeeman.

Bill Would Continue Life Policies Held by Federal Employees

WASHINGTON—Sen. Johnston of S. C., chairman of the post office and civil service committee, said in behalf of a bill passed by the Senate to amend the federal employees' group life act of 1954 that it would make possible the continuance of life insurance protection held by 135,000 active and retired employees as members of various non-profit benefit associations.

This would be accomplished by an arrangement made by the civil service commission and each interested association, whereby the employees' life insurance fund would assume the insurance obligations and receive the association's assets and future premium payments. It authorizes the commission to insure obligations assumed with the life company now underwriting the association insurance and with any other company which is an insurer or reinsurer under the act.

Sen. Johnston said an actuarial firm estimated that obligations of the associations exceed the sum of their present assets and anticipated future premiums by \$33 million. This assumed cost would be spread over a "long period of years." No additional appropriation will be required now, and it is anticipated that added costs under the bill can be financed from present funds under the law as it now stands.

The measure was agreed upon by the civil service commission, employees' benefit associations and insurers.

\$1 Billion Group Life in Force by N. Y. Life

New York Life surpassed \$1 billion of group life in force on its fourth group anniversary, June 30.

Between July, 1951, and the end of this June, New York Life put 2,396 policies in force, insuring 500,815 employees for group life and 318,674 for A&S. These figures are not additive. Premium income amounts to \$37 million a year. Group life in force totaled \$1,000,253,562 at the end of June.

The company paid \$7,375,000 in group life claims since July, 1951, \$390,000 in accidental death and dismemberment claims, and \$29,300,000 in hospital, surgical and medical expense benefits.

The group field staff set a goal of 1,000 new groups and \$12 million in new premiums for 1955. By June 30, the company had placed 505 new groups in force for \$6,919,568 in premiums. Group life volume from new sales was \$213,016,547 for the first six months, with 75% of all new group cases coming from New York Life agents.

Among 638 life companies at the end of 1954, New York Life ranked 11th in group life paid for, 14th in group life in force, and ninth in amount of gain for the year, according to Ervin C. Jones, 2nd vice-president in charge of group sales.

Fidelity Life & Disability of Denver has moved into a new home office building at 975 Grant Street.



Michael C. Dolak

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He ably led, we gladly followed

HE'S PAST SEVENTY now. But time hasn't touched him inwardly. The old energy is still there, and the strong sense of calling, and the clear-eyed vision of the goal. He looks the part he's always played—a great teacher, a moulder of men.

Talking to him now, you know why Dr. Solomon S. Huebner played such a hero's role in the building of today's multi-billion dollar life insurance business.

He never sold a dollar's worth of life insurance himself. But he shaped the minds and inspired the men who have made the great life insurance sales records of today. He gave us a sense of our mission as handlers of dreams and hopes, not of dollars and cents. Physicians, in their moments of self-searching, think of Hippocrates. We think—or should—of Dr. Huebner. It was half a century ago when young Solomon Huebner saw the great need for *trained* young men in business. The men were available; the training was not. He resolved to change all that.

He started from scratch. There were few business schools then, few textbooks, fewer teachers. So, when the Wharton School announced a course in life insurance, with Dr. Huebner as its guiding spirit, a new era had quietly begun, though not many people realized it.

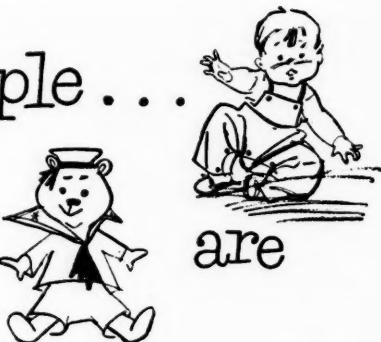
Teacher and students often learned together in those pioneering days. The textbooks got written; many he had to write himself. Eventually the whole country and the nations of the world

began to feel the influence of Solomon S. Huebner. Some of his students became important in the business world. Some went out to teach to others what they had learned from him. That would have been enough for most men. But Dr. Huebner had just begun.

For fourteen years, he had nourished a dream that was finally realized with the chartering of the American College of Life Underwriters. Now all young men who wished to qualify for the profession of life insurance could be tested for aptitude, integrity, and willingness to work. Here they could be trained in mind and heart for better service to themselves, their clients, their companies, and their country. Many of us have climbed to success on the ladder which S. S. Huebner built for us. To show our gratitude, we have offered him every honor at our disposal. He accepts them graciously, but being the man he is, we think he finds ample reward in knowing that his work has made thousands of other careers possible. And perhaps his greatest reward comes when he walks down a street in any American town, and sees the self-respecting families in their self-respecting houses, and knows what a part life insurance has played in the confident rhythm of their lives.

John Hancock MUTUAL LIFE INSURANCE COMPANY
BOSTON, MASSACHUSETTS

For some people . . .



some things . . . are



sometimes out of reach . . .



but now . . . the **NEW**

MONY  "EXECUTIVE" POLICY

puts **\$10,000**  of Life Insurance

within the reach



of almost every family !

Highlights of the "Executive"

- Sold in amounts of \$10,000 or more
- The "Executive" can be converted at stated intervals to certain endowment or limited-payment life policies by increasing future premiums, with no lump-sum payment of back premiums
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First 3 years—\$195.10,
Fourth and later years—\$216.80
- Dividends as declared will reduce this cost. (Probably none before end of third policy year.)
- High cash values
- Ideal for family and business needs

